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DAILY FARM NEWS DIGEST
(For June 3, 1946)

U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
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914
2D14 (The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, June 3 -

GRAIN FOR RELIEF EXPECTED TO LAG-Arrivals of grain at United States ports this month will be below the minimum needed for overseas famine relief because of interruptions in rail transportation and unfavorable weather conditions, Fiorello H. La Guardia, director general of the United Nations Relief and Rehabilitation Administration reported yesterday.

"In March, April and May shipments were far below requirements because the food wasn't available," said Mr. La Guardia. "We hoped to catch up in the latter part of May but, because of interruptions in transportation and weather conditions beyond our control, June arrivals of grain will be several hundred thousand tons below minimum requirements.

"But we are pushing these shipments, if we have no interruptions in transportation--and let us hope that there will be none. Most of the countries overseas are living from day to day verily from hand to mouth. There is only a few days' stock on hand. That is because of shortages month and month. The condition in China is simply beyond description."

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PATTON ASKS FEED FOR SMALL FARMS-Washington-James G. Patton, president of the National Farmers Union, demanded today that Secretary of Agriculture Clinton P. Anderson start a system of feed allocation to meet shortages, particularly in the Northeast and the Far West, and thus prevent the bankruptcy of hundreds of small poultrymen and dairymen.

He declared that Mr. Anderson had failed to meet the problem, and that this had brought on "another of the recurrent crises that have marked the Secretary's administration."

Mr. Patton said that the machinery of farmers' committee at State and County levels could be used to distribute allocated feed to meet shortages caused by diversions for foreign famine relief.

"Farmers understand that a reduction in numbers of livestock and poultry is absolutely essential if foreign relief goals are to be met, but they have a right to expect that smaller operators will not be made to bear proportionately more of the hardships of the feed shortage than large operators."

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BEEF SUPPLY PUT AT 20%-Chicago-The American Meat Institute said today that beef production was only about 20 percent of normal in the past week and declared.

"If the present trend continues as it has since the OPA slaughter quota system went into effect there soon will be practically no honest beef at honest prices."

Ten companies operating in every State in the Union were able to buy only 29,300 head of cattle in the week, the Institute stated, this being 72 percent less than 103,000 handled in the same week a year ago and "only about one fifth of the 139,500 made into beef during the same week of the more normal year of 1941." (Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, June 3 -

POTATO MAY AVERT DRINKERS' DROUGHT-Washington-The common potato may come to the rescue of the nation's liquor drinkers, who are faced with a drought because of the grain shortage.

Distillers have put in big bids for the large surplus of potatoes expected this year and will use "potato alcohol" in blends and other drinks, William Case of the Agriculture Department's fruits and vegetables branch, said tonight.

The Government, he said, will decide soon whether the liquor industry or "more essential" users will get the spuds. And he suggested in passing that if the potatoes are used in beverages, "there is a chance that it may change the drinking habits of Americans" and make popular such potato drinks as vodka.

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GRAIN TRADING IN CHICAGO-Chicago-Grain trade on the Chicago Board of Trade last week was close to the low record, with sales of 23,968,000 bushels, compared to 36,409,000 the previous week and 181,572,000 a year ago. Except in oats, prices were at the ceilings. The daily average was only about 6,000,000 bushels. Wheat sales were virtually negligible.

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CITY ASKS BAKERS TO SUPPLY BREAD-Because of the flour shortage and the fact that only a week's supply is on hand at the municipal bakery on Rikers Island, the city has asked commercial bakers to provide the 12,000 pounds of bread required daily for school lunches, city hospitals and other city institutions it was disclosed today.

A spokesman for the Department of Purchase said that he hoped that commercial bakeries would come to the city's rescue, but declared that it was possible that the demands of their regular customer upon their limited supplies of flour might prevent them from doing so. In that case, he said, the city would have a serious problem on its hands.

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From The Baltimore Sun, June 2 -

GENERAL AID ON FOOD URGED-In a formal proclamation yesterday, Mayor McKeldin called upon all groups in the city "to give as best they can and to co-operate in this collection of canned food and cash contributions for the purchase of food, to be shipped overseas through UNRRA for free distribution to starving, suffering and disease stricken people."

The Mayor specifically mentioned "all religious, educational, patriotic, civic, fraternal, business, industrial and labor organizations," as well as all citizens and residents of Baltimore.

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RICE AT WEDDINGS HELD NOT SMART-College Park, Md.--It's no longer smart to shower bridal couples with rice.

That, at least, is the way Joseph H. Blandford, head of the Maryland Famine Emergency Committee, hopes the public will feel.

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From the New York Journal of Commerce, June 3, -

COTTON PRICES RISE ON TRADE DEMAND - Trade buying rallied prices sharply at the close of a fluctuating short session on the New York Cotton Exchange on Saturday. The range was up 2 to 13 points.

Near July and 1946 positions in the new crop showed the most strength at the end of the week. This was attributed to the settlement of labor disputes which had previously reduced trade demand.

During the period of the rail and the soft coal strikes, spinning mills had hesitated to make commitments in the futures and the spot cotton markets. Many mills either closed completely or curtailed operations to a schedule of one day per week. Fuel supplies were short, and transportation limited or non-existent. Mills had sufficient cotton on hand for three months' normal operations. Under these circumstances, mill demand was reduced to an inconsequential factor.....

Late last week, however, large orders in March and October were filled through several New York commission houses, apparently for the trade. This was taken to indicate a return of price-fixing as industrial conditions became settled.

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BRITISH PURCHASING LESS U.S. COTTON, Liverpool - The volume of raw cotton arrivals at British ports last week comprised mainly Brazilian, Argentine, East African and Egyptian qualities. Sufficient cotton is reaching this country to balance deliveries to spinners; so that the reserve stocks held by the Control are being kept at a high level.

The present Control stock is probably around 1,400,000 bales. In addition, mills are believed to be carrying at least 400,000 bales. While stocks of United States cotton are tending downward owing to the restricted imports in recent months, losses in this direction are being made good by fairly free arrivals of Brazilian and Argentine cottons.

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LIFTING OF CURBS SPURS OATS BUYING - Removal of trading restrictions on old contracts of all grains, which heretofore had been limited to liquidation of outstanding contracts, and announcement that new ceilings would also be applicable to these positions starting today touched off active buying oats futures at Chicago which carried the old style contracts to the ceiling and resulted in good advances in new deliveries.

There was a fair volume of buying through commission houses but much of the support came from shorts as bullish sentiment was given added momentum by action of the Senate Banking Committee in approving many amendments to the OPA extension bill.

Directors of the Chicago Board of Trade ordered settlement of defaulted May, 1946, rye futures contracts at \$2.70 a bushel, a penalty of 29½c as the final quotation on that delivery on May 22, when trading in it ceased, was \$2.40½.

It was also ordered that May, 1946, corn, oats and barley defaulted contracts be settled at the new ceiling levels of \$1.46½, 28c and \$1.35½ per bushel, respectively. Thus, the corn penalty amounted to 25c, oats 5c and barley 9c per bushel.

Cash grains continued to display strength with prices generally at ceilings. Ceiling prices on all cash and future rye became effective and indicative of the sharp change wrought in the price structure for that grain it was quoted in the Minneapolis cash market at \$1.52½ to \$1.54 3/4, compared with a closing of \$2.85 the previous day. Reports from the Southwest again emphasized the better than expected winter wheat yields, good quality of receipts and the unusually early movement with Kansas City reporting the earliest receipts of new wheat on record.

(See page 4)

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Farm Digest 1195-46-3

From the New York Journal of Commerce, June 3 (Cont.) -

DAIRY TRADE AWAITS MORE PRICE DETAILS - Failure to have full details of the dairy price program is serving as a further disrupting influence in the entire marketing picture. Sellers are inclined to hold goods off the market and both buying and paying arrangements are being badly disturbed.

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SEES GOOD KANSAS WHEAT CROP, Topeka, Kan., - C. W. Lane, crop reporter for the Santa Fe Railroad, today predicted that although Kansas will not harvest a bumper wheat crop this year, "it still will hold its place as the premier wheat producing State of the national with approximately 170,000,000 bushels."

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From the New York Wall Street Journal, June 3 -

SMALL BREWERIES SOLD TO LARGER COMPANIES, Milwaukee - The smaller breweries of Wisconsin are changing hands; local owners are selling to outside buyers.

With the passing of prohibition, these home town brewing plants which once dotted the state, had difficult going in competition with the nationally known plants. But with the shortage of beer and reductions on the amount of grain used, mainly malting barley, the small plants brought attractive offers, for they can compete on the quotas allowed on grain.

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BEATRICE CREAMERY HOLDERS VOTE NEW CUMULATIVE PREFERRED, Chicago - Beatrice Creamery Co. stockholders have approved charter amendments authorizing a new issue of 59,862 shares of \$100 par cumulative convertible preferred stock to be used in retiring a like amount of \$4.25 preferred stock now outstanding.

Approval was also given to the proposed change in the company's name to Beatrice Foods Co.

Sales and earnings of Beatrice Creamery for the first two months of the current fiscal year which began March 1 were ahead of last year, C. H. Haskell, president, told stockholders. Earnings per share of common stock were higher than for the same two months of last year, he said.

Sales of the first two months were \$21,259,000 compared with \$18,261,000 for the first two months of 1945, an increase of 16.4%. On this basis, Mr. Haskell said, sales are running at an annual rate of \$144 million, and the company is conducting a sales drive this year with a goal of \$150 million.

A drop of \$1,351,000 in butter sales in the first two months of this fiscal year compared with a year ago was largely offset by an increase of \$1,322,450, or 32% in sales of other than dairy products, including poultry and eggs and cold storage charges.

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From the New York Times, June 2 -

FARM BILL RIDER FORBIDS STRIKES, Washington - The Senate passed by voice vote today a \$598,737,735 Agriculture Department appropriations bill carrying a rider to prohibit the employment of members of labor unions which assert the right to strike against the Government.

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From The Christian Science Monitor, Mat 25 -

SOUTHWEST WHEAT FLOWS INTO EMPTY ELEVATORS-Chicago-The earliest and one of the largest wheat crops in history is flowing into the grain elevators of Texas and Oklahoma.

Hundreds of carloads already have been hauled into Oklahoma City, Okla., from 20 days to a month ahead of the earliest shipments in the State's history.

Yields, because of good weather and good harvesting conditions, are above estimates. In southwestern Oklahoma, it is reported here, yields are 25 percent above forecasts.

It can't be too early or too large to meet the increasingly urgent need for food throughout the world, and news of the quickened harvest movement is welcomed by famine relief workers.

The 1946 wheat crop, combining both winter and spring harvests, is expected to be the fourth in history to top a billion bushels. American bread consumers were warned, though, that this does not mean more bread for them. Much of this crop will make up the deficit in carry-over wheat which has been leveled by shipments abroad. On April 1 farm stocks were the smallest since 1941, despite a similar record crop last year.

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From The Kansas City Star, May 27 -

WHEAT IN VOLUME-A large amount of wheat apparently was loaded and ready to move to Kansas City when the railroad strike went into effect last Friday.

Today's arrival, the equivalent of a 4-day accumulation, totaled 453 cars, the biggest supply since the post-harvest rush was on last summer. This figure compared with 331 a week ago and 399 a year ago.

Virtually all the accumulation represented wheat sold to the government under the 30-cent bonus program. The offer expired Saturday, but under an amendment wheat previously offered for sale may be delivered up to July 1.

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From The Times-Picayune, May 26 -

INDIA NIPS BURLAP NEEDED FOR FOOD-Unless OPA ceilings are removed, there will not be enough burlap bags to sack the fall harvest, Harry S. Hardin, Sr. bag manufacturer, charged Monday.

Mr. Hardin addressed a public forum on price control, sponsored by the Home and Industry Council, the Louisiana Manufacturers' Association, and the Association of Commerce.

The manufacturer said Calcutta mills and shippers are refusing to export burlap to the United States because the ceiling is too low.

"I have not been able to get a yard of material from them," he declared, "there will not be enough burlap at harvest time to sack foodstuffs for the starving people of Europe."

He said India is the world's only source of burlap, and that the bag industry needs about 1,500,000,000 yards.

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From the St. Louis Post-Dispatch, May 29 -

CPA DENIES MANUFACTURERS HOLD BACK GOODS-Chicago-(AP)-John D. Small, Civilian Production Administrator, declared yesterday shortages in consumer's goods can not be attributed to hoarding by manufacturers.

Consumers with large purchasing power merely want "too much, too soon," Small said in an address telephoned from Washington to the convention of the National Association of Purchasing Agents.

"Goods are being produced in greater quantity now than ever before in peacetime," Small said, and added that existing inventories were "seriously unbalanced." Finished goods are being distributed and sold almost as soon as they come off the assembly lines he asserted.

Richard G. Kimball, Washington director of technical services of the National Lumber Manufacturers Association, told the purchasing agents that the lumber industry could not meet the 37 billion board feet production quota established by the OPA for 1946 Production for the first half of 1946, he said, will merely touch "a total of 14,000,000,000 board feet."

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From The San Francisco Chronicle, May 23 -

PACIFIC FOOD SUPPLIES LOW, MAYOR SAYS-Surveys indicate that in most parts of the Pacific Area only a 30-day food supply is available, Mayor Lapham declared yesterday in urging everyone to help relieve the famine situation in Europe and the Orient.

San Franciscans were urged to take donations of canned foods to the nearest firehouse. Those who wish to make monetary contributions should send them to E. V. Krick, treasurer, Emergency Food Fund Collection, 995 Market Street.

Up to yesterday, San Francisco residents had contributed \$9192.28 in behalf of famine victims.

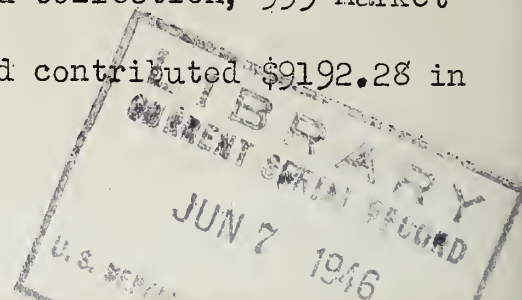
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From The Kansas City Star, May 27 -

INVITING CONTROL-Editorial-In view of the excited rush of consumers to buy all the food in sight in the last few days, when there was no good or apparent reason for it, especially out here in this great food-producing section we are led to remark that this kind of public behavior explains in a most important way why we have had rationing, price control and much else of the same nature.

If people chafe at such restrictions and remember the nightmare of coupons, let them also recall that their own uncontrolled practices furnished a ready excuse for the controls of wartime. These controls have not yet left us completely. People who want none of them to return and all of them to go ultimately will need to set up and maintain a little voluntary control, instead of running hog-wild to buy and to hoard at the slightest scare or a mere irresponsible rumor.

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2D14 (The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, June 4 -

FLOUR CURB EASING IN VIEW BY JULY 1-Washington-(UP)-Secretary Anderson indicated today to the Senate Small Business Committee that restrictions on use of flour might be eased by July 1. He testified that the 75 percent limit on domestic use of flour might be raised to 85 percent by that date to help the bread situation.

He said that the Agriculture Department would lend wheat to mills which had flour stocks under 37½ per cent of the amount they milled in a corresponding period of 1945. This action is aimed at helping areas now virtually breadless.

Senator Wherry, Republican, of Nebraska, questioned Mr. Anderson about reports that 98 percent of the country's flour mills would be forced to close "within a few days" because of lack of grain.

Mr. Anderson replied that the wheat-lending plan should give all mills about one-half of the 75 percent of normal flour production now permitted. The wheat borrowed by millers must be replaced to meet export shipping schedules.

The committee made public Army surveys in the American occupation zone of Germany which found that the people were "not starving and their state not alarming at the present time."

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INVITE 18 NATIONS TO JOIN FOOD BOARD-Washington-Secretary of Agriculture Anderson, in behalf of the combined food board of which he is a member, today sent invitations to eighteen other countries to a meeting on June 20 for the purpose of forming the new international emergency food council.

The new organization would replace the combined food board, organized during the war by the United States, Britain and Canada.

Soviet Russia, which has never cooperated with the combined food board and its various commodity committees, was among the nations invited to join.

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MILLS HEAD HAILS LOAN PLAN-Minneapolis-Mills here were at the end or near the end of their supplies, company officials said today.

Harry Bullis, president of General Mills, Inc., welcomed as "timely" the Government's plan to lend export wheat in June to alleviate the domestic situation.

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BAKERS SUGAR MAY BE CUT-Washington-Bakers' sugar rations may be cut to reduce output of cake, pies and other pastries, an Office of Price Administration official said today.

This official, who withheld use of his name, said OPA and the Agriculture Department are studying a proposal to limit bakers' allotments to 60 percent of the sugar they used during 1941. They now are receiving 70 percent.

The idea, the official said, would be to block diversion of flour from bread to pastry products.

(Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, June 4 -

BREAD SCARCITY IN BOSTON-Boston-New Englanders set about seeking substitutes today as the full impact of the week end bread shortage was felt.

Public officials cautioned against panic buying as housewives rushed to stores in an effort to obtain scarce loaves. Some parts in the Boston area reported that housewives trailed bread trucks to markets and cleaned out the supply in a few minutes.

Bread hoarders also were said to have made their appearance, gathering loaves of the perishable commodity in several sections. The bread lines, so much in evidence over the week end, were fewer today, apparently because of the lack of bread. Many bakeries in the area were closed.

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STATE BAKERIES CURTAILING-Buffalo-All bakeries in the State may soon close two days a week for lack of flour, the convention of the State Association of Manufacturing Retail Bakers was told today.

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ICE CREAM MAKERS SCORE DAIRY ORDER-Severely critical of the Government's failure to issue a detailed order along with the recent directive of the Office of Economic Stabilization on milk and dairy products, ice cream manufacturers asserted yesterday that as a result of the omission they are highly confused and unable to schedule production. The directive, issued on May 29, provides that the Secretary of Agriculture will issue a limitation order on monthly sales, effective June 1.

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BUTCHER SHOP SHUT AS BLACK MARKET-A retail butcher in Coney Island won the dubious distinction yesterday of being the first food merchant in this city to be put out of business temporarily as a repeated black marketer through Supreme Court action.

The Office of Price Administration, under authority given to it by Supreme Court Justice Cortland A. Johnson in Brooklyn, affixed to the shop door of Carmine Pucci, a placard bearing this inscription:

"Notice of Suspension by Order of the Office of Price Administration.

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GENTNER SEEKS RISE IN CLOTHING PRICES-Leo F. Gentner, who resigned last week as Regional Administrator of the Office of Price Administration to become a spokesman for the apparel industry, said yesterday that he would seek higher prices in some clothing lines, including men's suits.

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STUDENTS CALLED TO WORK ON FARMS-A campaign to recruit 2,000 students for summer work on New York State farms is now under way in the city's public academic and vocational high schools, it was learned yesterday. The Board of Education is supporting the campaign to increase food production for the alleviation of famine conditions throughout the world.

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From the New York Journal of Commerce, June 4 -

WEEK END ORDERS LIFT COTTON PRICES -An accumulation of orders over the week-end readily absorbed all offerings in an optimistic session on the New York Cotton Exchange yesterday. The closing range was up 7 to 12 points.

The expected renewal of mill demand was the major factor. About 10,000 bales in October, offered by a large New York spot house, were taken in a rising market, starting at 28.43. Buying was attributed to Southern interest.

Other factors in the market were the prospects of easing of price control and the continued unfavorable weather in the cotton belt. Although the new crop was in need of hot, dry weather generally, a cool front and cloudy skies were reported. Entomologists emphasized that a change was imperative to halt the possibility of serious infestation, particularly in Texas.

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CANE REFINERS' SUGAR STOCKS LOW - U. S. cane sugar refiners are operating on small sugar reserves, the average being less than a two weeks' supply on raws.

Offshore refined in U. S. warehouses is negligible. Beet sugar inventories, although moderately above 1945 levels, are low in relation to demand because of the accelerated beet sugar distribution during the last quarter of 1945 and the first quarter of 1946.

Owing to this stock condition, U. S. cane sugar supplies are endangered by the threat of a shipping strike on June 15, B. W. Dyer & Co. report.

The mere threat of the maritime unions' ending work on June 14, according to George E. Keiser & Co., is causing some offshore shippers of both raw and refined sugars to hesitate about chartering vessels which would arrive on or after that date.

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WEATHER DELAYING EARLY PEA PACKING - Unfavorable weather, including snows in parts of Wisconsin and Michigan, heavy rains in the East and excessive rains in parts of the Midwest the past few days, served to cause a feeling of uneasiness as regards the 1946 pea pack.

Canning early varieties of peas is scheduled to get under way shortly in the major producing States of Michigan and Wisconsin, but this turn in the weather may force considerable delay, inasmuch as there may be too much "bunching" of the crop, forcing a heavier pack of lower grade. Delays now are not welcome, for there is always the fear of a sudden development of extremely hot temperatures which in a very short time could cut the crop drastically.

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VISIBLE WHEAT SUPPLY RISES 5,989,000 BUSHEL, Chicago - Visible supply of wheat increased 5,989,000 bushels to 28,825,000 bushels last week, the Chicago Board of Trade reported today. Corn increased 693,000 to 26,450,000 bushels.....

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SEE NO BRITISH RATIONING OF BREAD, London - Sources close to the Government said today they were convinced the Government would avoid the rationing of bread, despite recent broad hints in the House of Commons by Food Minister John Strachey that a point system might be inaugurated to insure equitable distribution. However, detailed plans for a rationing system are being worked out and a final decision is expected late this month.

(Turn to page 4 for other items from today's N. Y. Journal of Commerce.)

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Farm Digest 1205-46-3

From the New York Journal of Commerce, June 4 -

GOVT. TO RELEASE WHEAT TO MILLERS - Flour millers were encouraged by a Department of Agriculture announcement yesterday that it will lend wheat for furnishing domestic flour needs with such quantities to be replaced from this year's crop in time to meet future export commitments.

However, it was believed that by the time the wheat can be processed and shipped to bakers throughout the country that the bread situation will become even more acute.

Eligibility for such wheat will be determined by the relative shortage of consumer flour supplies in areas serviced by specific mills and the wheat will be supplied to mills through merchandizers acting as agents for the Government.

Bakers' stocks of flour have been dropping steadily and reports of bread shortages have been more numerous and from any sections of the country. Mills have been flooded with request for flour, virtually all of which have been refused, and, indicative of the situation in the Northwest, it was reported that there had been no flour shipments out of Minneapolis on Saturday.

Flour receipts at New York railroad terminals of 34,045 sacks included 30,445 for export and 3,600 for domestic consumption.

The rye flour market was at a complete standstill with orders on hand sufficient to absorb small rye holdings and there appeared to be little prospect of any early improvement in supplies.

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SUIT DELAYS GRAIN TRADE IN CHICAGO, Chicago - A broker's unsuccessful attempt to upset certain Chicago Board of Trade regulations held up grain futures trading in the world's biggest grain exchange for two hours today.

Robert Buckley, of Charles W. Buckley Co., a Chicago commission house, was denied an injunction by Federal Judge Elwyn R. Shaw.

The regulations, which Buckley asked the court to enjoin the board from enforcing, concerned ceilings on old grain contracts. Judge Shaw ruled that Buckley could seek relief through a damage suit rather than by tying up grain operations. The suit was based on board actions following an increase in ceiling prices of grain by the Government.

Late Friday, May 31, at a special meeting directors decided to raise the ceilings on these contracts and to permit trading for purposes other than liquidation.

Market observers estimated between \$5,500,000 and \$7,000,000 were involved in the advance in ceilings.

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From the New York Wall Street Journal, June 4 -

KANSAS CITY, MO., BAKERS STRIKE, Kansas City - A bread famine hit the city yesterday as a strike against the area's 15 major bakeries shut off an estimated 90% of its bread supply. By agreement, one major bakery remained open, supplying only hospitals and public institutions. The union had rejected the latest management offer of a 15-cent an hour increase.....

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COTTON FIELDS are getting too much rain. Wet weather last week halted farm work in many cotton growing sections. Already there are reports that in some districts where planting operations were 65% to 100% completed, at least 10% to 25% of the fields will have to be replanted. Dry weather is urgently needed, and continued rains will cut the crop prospect.

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Farm Digest 1205-46-4

From The New York Times, June 2 -

REPORT FROM THE NATION-New England-Poultry and Dairy Men are Hit Hard by Lack of Feed-Boston-Grave warnings are being sounded in New England that the region's poultry flocks and dairy herds have suffered irreparable damage as a result of the critical feed shortage.

Poultrymen are being hit hardest. They are selling laying hens for slaughter by the thousands. Hatcheries are halting operations earlier than usual. It is no longer profitable, they contend, to sell eggs. Farmers are crying, "Where do we go from here?"

Despite Government assurances that it is doing all it can to alleviate the condition, many voices are heard stating that Government regulations are discriminatory, that it seeks to choke off New England's \$110,000,000 industry in favor of the Midwest and West.

The first shipment of feed to aid poultrymen under a new Government plan is expected to reach New England this week, but the farmers declare it is another case of too little and too late because the forced, disorderly liquidation of flocks has been under way for some time. They say the expected feed is only a drop in the bucket compared to what is needed daily on a permanent basis. Central States-Retail Group Head Predicts Better Outlook for Meats-Chicago-While the current outlook for meat "is not very good," the prospects of increased supplies of the commodity for the American dining table by late next fall or winter "is very promising." This was the prediction today of George R. Dressler, executive secretary of the National Association of Retail Meat Dealers.

"There are 79,000,000 head of cattle on the farms and ranges," he said. "This compares with the all time high of 89,000,000.

"The level at which producers and farmers had attempted to keep the cattle population prior to the war was an average of 60,000,000 head. Today, they estimate their sound economic level at 70,000,000.

"This leaves us with 9,000,000 to be liquidated, and this cannot be accomplished until late fall or winter, because the stock has not been finished properly in the feed lots."

Even more optimistic reports emanate from Oklahoma City, Okla., where packers and stockmen are predicting more beef by July. Dispatches state that the Southwestern cattle ranges "are heavily stocked, the grass was never better and 2-year-old steers are laying on two to three pounds of meat a day."

Elimination of "unworkable" Office of Price Administration controls on the meat industry provides "the one answer to getting this production into the market properly," according to Mr. Dressler.-Midwest States-Bankers Generally Agree Farm Finances are sound-Omaha-A frequently expressed assertion that the financial condition of Midwest farmers is more sound than it was after the first World War received support this week from an expert source.

Bankers from seven States attending a savings-mortgage conference in Des Moines found themselves in general agreement with speakers who praised farmers in reducing their mortgage load and for building up a cash nest egg against possible post-war deflation.

A typical attitude was that voiced by Dr. Melchior Palyi of Chicago, Hungarian-born economist, who remarked:

"Many farmers lost their land in the depression that followed the first World War because they had purchased large lands at narrow margins. This time farmers who have invested in land already have substantial sums invested. They are much less likely to go into foreclosure should prices of farm products drop."

But while things were going well with the farmers financially and fieldwise one segment of the rural Midwest was registering acute unhappiness. The grain trade, including millers, is increasingly resentful of the Government's methods of procuring wheat and corn for famine relief and domestic allotment.

From The Breeder's Gazette, June -

CORN @ \$1.40 A BU.--That 30-Cent For Grains? These New Ceiling Prices for Wheat and corn? They really raise the price of the feed grains to \$1.40 a bu., just what you could get in the black market for some time. The big idea back of it is to force your hogs, poultry and beef cattle onto the market. You might say that the Administration is retreating up-hill, and establishing on higher ground a new line for feeds. I suspect they will carry dairy cows and lambs along. The lamb subsidy will either be continued or the ceiling hoisted. Sam Tator, who takes Tom Stitts' place as dairy head, will placate you milk producers with more subsidy, until you get an honest price. As plain as the nose on your face is the determination of Washington to force you to cut at least 10% in hogs and 20% in beef cattle. Meat marketing is a mess and subsidies are being paid right and left out of borrowed money. (Who took that first benefit check, anyhow?) Not until June 30th can you be absolutely sure of what is going to happen, but it looks like controls will only be loosened, not taken off.

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From Chicago Daily Tribune, June 1 -

FLOUR MILLING NEARING HALT THRU COUNTRY-Flour mills in Chicago and elsewhere in the midwest were literally grinding to a stop yesterday and industry spokesmen predicted that domestic flour production would come to an almost complete standstill by June 7. Representatives of the milling industry continued trying to persuade Washington officials to have wheat marked for export processed into flour for shipment. This would keep many mills in operation and would provide much needed livestock feed.

The big South Chicago plant of General Mills, Inc., will shut down next Friday, an officer of the company said. The mill closed May 17 for two weeks, but will process what little wheat has been accumulated in that time between June 3 and June 7, he said. The company's Wichita and Kansas City mills also closed May 17 and probably will not operate next week.

Other General Mills plants at Louisville and Minneapolis will cease bread flour production Thursday; it was reported. The Minneapolis mill will continue to process some durum wheat for macaroni and similar foods. The Great Falls, Mont. mill is expected to shut down Friday except for flour for export.

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From The Commercial Appeal, May 29 -

FORMER G.I.S SIGNING FOR PLANT, PROSPER-A number of veterans who have swapped their uniforms for overalls are going to farm the Plant To Prosper way this year.

From Decatur County, Tenn., Jack Stevens, superintendent of Decatur County schools, yesterday reported that 63 veterans who are taking on-the-job farm training under the G. I. Bill of Rights, have enrolled in the Commercial Appeal's four-point farm program.

B. M. Carolan, teacher of vocational agriculture at Melbourne High School Melbourne, Ark., also reported that 60 veterans there have entered Plant To Prosper.

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2514 (The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, June 5 -

CITY BREAD QUEUES LENGTHEN RAPIDLY: CAKE IS ABUNDANT-The shortage of flour, tightening its pinch on the nation's bread supply, was marked in New York yesterday by an increase in black marketing and an apparent abundance of cake.

While housewives stormed chain stores as soon as the bread delivery trucks made their appearance and stood in line waiting for bread at grocery stores--many of which unofficially rationed their loaves one to a customer--there was more cake on the shelves of some shops than could be sold.

The seeming paradox was explained in terms of bakers' profits by Otto Grassi, price specialist for the Office of Price Administration. Because cakes, pies and pastries are not cost-of-living commodities, their ceiling prices are fixed under a more liberal formula than that for bread and rolls.

As a result, with domestic deliveries of flour off 25 percent and more, some bakers have cut their bread and roll production deeply and are turning a greater part of their flour into the more profitable cakes, pastries and pies.

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THREATEN GRAIN DUMPING-Oklahoma City-Fiorello La Guardia left for Washington today with the word that Oklahoma wheat farmers were ready to dump their grain unless the Government changes its requisition policy.

A committee of forty-five farmers told Mr. La Guardia, Director General of the United Nations Relief and Rehabilitation Administration, that under the requisition policy there is no provision to compensate for future price increases.

The requisition order requires that at least 50 per cent of all wheat delivered at an elevator be sold to the Commodity Corporation at ceiling prices.

Spokesmen for the group, according to Mr. La Guardia, said that before Oklahoma farmers would comply with the order they would store their grain in "chicken houses, barns and dump it on the ground."

They charged the Government with giving southwestern wheat farmers a raw deal by giving northern farmers a 30-cent a bushel bonus and higher prices after wheat in this area already had been marketed.

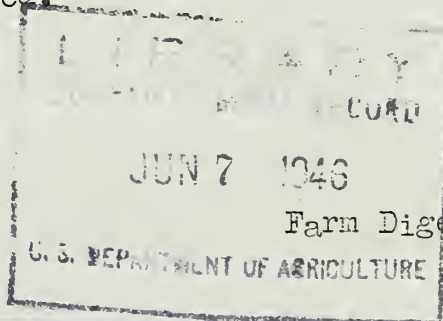
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ASSERTS OUR FOOD IS MISUSED ABROAD-Washington-World famine problems can be met more efficiently than they are now with less food than is now being shipped from the United States and other exporting countries, Thomas J. McBreen, economist for the Senate's Small Business Committee, said today.

Mr. McBreen said that information so far brought out, together with facts which the committee expects to develop this week, show that the Allied Combined Food Board, as well as the United States Department of Agriculture, are making allocations upon the basis of what he called inflated statements by foreign nations as to the amount of foodstuffs they need.

(Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, June 5 -

UKRAINE HAUNTED BY FEAR ON CROPS-Kiev, USSR-The rolling wheatfields of the Ukraine are haunted by a fear of crop failure, a spectre less tangible but almost as dangerous as the German tanks that smashed through these same fields five years ago this month.

The crop situation in wheat, rye and barley and oats is already "serious" in the area south of a line drawn west from Kharkov to Beltsy, in the Ukraine according to Peter V. Rubnitsky, Vice Premier of the Ukrainian Soviet Socialist Republic..

"Rain in the first half of June will decide the harvest," Mr. Rudnitsky said, "but the wheat crop has already suffered greatly as a result of the drought in May."

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OAT PRICES GAIN AS DEMAND RISES-Chicago-The demand for oats broadened today on the Board of Trade, and there was a good response to the increased commission buying, which resulted in considerable short covering. Prices settled back from the extreme tops, but finished $3/4$ cent to $1\ 1/8$ cents a bushel higher on the day. Traders paid considerable attention to reports from Washington to the effect that farm commodities might be exempted from OPA price control when the OPA extension bill is passed.

Traders also were impressed with statements from various sources that the tight food and feed grain situation in this country would not be substantially relieved before 1948.

No trades were reported today in wheat, corn or rye at Chicago. At Winnipeg the price trend was irregular with the close on rye futures $1\ 3/8$ cents lower to $3/4$ cent up. Minneapolis oats were strong, closing 1 cent higher.

All cash grains were strong prices being maintained at ceiling levels.

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COTTON IRREGULAR IN NARROW MARKET-Cotton futures on the New York Cotton Exchange fluctuated within a narrow range yesterday and closed 1 point lower to 4 points higher than Monday's final levels.

The market started 1 to 4 points higher and failed to develop a trend during the day. There was some price fixing early and buying on poor crop reports. Later the market eased, mostly on local liquidation and a few hedges.

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From The Baltimore Sun, June 4 -

LIVE STOCK MEN DOUBT EFFECT OF NEW QUOTAS-Chicago-Livestock men were undecided today how effective the Government's new 85 per cent slaughter quotas would be in relieving illegal operations in meat, but they were unanimous in predicting shortages of the food product would continue for many months.

One meat packing spokesman said he "could not see how quotas will affect the black market unless you have rationing, too."

"We certainly don't advocate rationing, but quotas hardly will work alone," he added.

Farmers are holding back cattle, Walters asserted, gambling on removal of price control June 30, while consumer demand for meat is now 180 pounds a person compared with 133 pounds a year per person in 1939.

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From the New York Wall Street Journal, June 5 -

WHEAT REVOLT—GROWERS BALK AT FORCED SELLING ORDER - From the Texas Panhandle to the plains of Nebraska there's a farmers' revolt.... Behind it is the Government's recent order to the effect that a farmer "must" sell at least 50% of all wheat he places in public storage within 15 days after he puts it there.

The result of it seems likely to be that: (1) Farmers will hang on to about every bushel of new wheat they can safely store on their farms. (2) The domestic bread shortage, expected to be severe this month, may be stretched out indefinitely. (3) Government efforts to keep a huge volume of wheat moving overseas will run smack into a serious stumbling block.

Strong farmer resentment of being told they "must" sell half the wheat they put in public storage is universal, a Wall Street Journal survey of principal wheat producing states shows.

"It isn't that they don't want to sell their wheat," says Roy Bender, secretary of the Oklahoma Cooperative Grain Dealers' Association. "Some do and some don't. But every one of them resents being told what he must do by an order from Washington."

Wheat farmers' resentment of Government policy has been mounting throughout the 1946 campaign to get more grain for export. Early in the year, when farmers were first "pressured" to sell, they were told by the Agriculture Department that no more wheat price advances would be permitted. Since then, the price has been raised 18 cents a bushel—and a 30-cents temporary bonus tacked on top of that.

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FARMERS FED FLOUR TO HOGS IN APRIL, NOW CAN'T BUY IT; West Plains, Mo. - Wheat and flour can't be bought by farmers in Howell County, Mo. They fed flour to their hogs in April, when West Plains feed dealers were forced to purchase a percentage of flour with each stock feed order and refused to sell the feed unless farmers would buy a flour quota with it. Now Howell Countians can find neither flour nor feed for sale.

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From the New York Journal of Commerce, June 5 -

HIDE BUYING POOL SEEN DOOMED - Large Russian hide purchases in the Argentine have driven South American hide prices well above the recent 20 percent boost sanctioned by the International Hide Committee and, as a result, the buying pool is unable to obtain new supplies there, according to reports received in local trade quarters.

The recent ban on the use of American ports for hide transshipments to countries which are not members of the International Hide Committee has promptly led to the start of direct shipping services from the Argentine to both the Far East and the Near East.

According to trade reports, Russia in recent weeks has brought some 100,000 hides from the largest Government-owned packing plant in Argentina for shipment through July. Prices paid for these hides are said to have been 15 percent over the increased pool purchase plan.

(Turn to page 4 for other items from today's N. Y. Journal of Commerce.) - - -

Farm Digest 1215-46-3

From the New York Journal of Commerce, June 4 -

COLD AND RAINS-THREAT TO COTTON, Memphis - The fate of the 1946 cotton crop in the rich alluvial lands of the mid-South---one of the most important cotton producing areas in the world---will be determined largely within the next two weeks.

Now in a critical condition from the heavy rainfall, the crop outlook will be very gloomy if rains continue to fall and temperatures to be low.

Reports from Arkansas, Mississippi and Tennessee say that cotton is dying in the fields, and grass is choking it out. County agents in some areas are advising farmers to plow up the fields and replant. As an alternative, it would cost around \$25 an acre to clean out the grass. A cotton planter cannot pay that and still realize any profit.

Replanting, many farmers say, is not the answer to the problem. There is a shortage of seed. Even if there were enough to replant on an extensive scale, several days of dry weather would be necessary before the fields can be plowed up again and replanted.

It is foreseen in some quarters that a few more days of rain and a few more cold nights, plus a rainy fall, will bring as disastrous a season as last year in the cotton belt.

On the other hand, vegetables are thriving. A bumper cabbage crop is flooding the market and heads are rotting in the fields in neighboring counties of Tennessee. Many farmers may plow their cotton under and sow their fields in food crops.

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CANADIAN CHEESE GETS 100 PER CENT SET-ASIDE, Ottawa,-- All cheese manufactured in Canada after June 1 will be requisitioned to fill commitments under the contract with the United Kingdom, Agriculture Minister Gardiner told the Commons week-end.

Even by using this method the Minister held out little hope that the commitment of 125,000,000 pounds could be filled unless exceptionally good conditions prevailed.

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FLOUR SUPPLY SEEN AT LOWEST POINT, Chicago - The nation has struck "bottom" in the current domestic flour shortage, the Millers National Federation said today, and a gradual easing of the critical bread shortage may start in two or three weeks.

There were two signs the nation's worst bread shortage will be on the wane. They were:

(1) The new winter wheat crop, which has started coming in in Texas and Oklahoma, is running 25 per cent above pre-harvest expectations.

(2) The Department of Agriculture drafted a plan for dipping into foreign relief wheat stocks to relieve conditions in the most acute bread shortage areas in the country.

Herman Steen, executive secretary of the Millers National Federation, said "this is the worst week the millers will have." Between 80 and 90 per cent of the nation's flour mills will shut down because of lack of wheat to grind into flour, he said.

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From The Boston Herald, June 3 -

THE BLACKEST MARKET-Editorial-Over the weekend meatless, breadless and butterless readers of The Herald learned that 30 tons of food have been condemned in Massachusetts this year as unfit for human consumption, much of it through spoilage in black market traffic. The amount of bad food, especially meat, that escaped official detection can only be guessed.

Meantime there are curious goings-on in the country. Strange trucks, two or three a week, drive up to farmhouses, ready to cart away any meat animals that can be bought. Over-age dairy cattle are going at auction for \$200 apiece, far more than their legal worth as meat and three or four times their value as milkers in these hazardous days. These are but a few superficial indications of an illegal commerce that has quietly superseded the legitimate trade. Even the Department of Agriculture admits that packers are finding it impossible to compete with the illegal operators.

We had our black markets in the war, but this is the blackest yet. It threatens our meagre supply of food, but this is not all. It wastes precious quantities of leather, for illegal slaughterers do not save the hides. It endangers our milk and egg supply, for black market bidding for grain for black market meat is stealing dairy and poultry feed from the Northeast.

With more than three-quarters of the nation's beef at retail level selling in the black market, the question arises whether this outlawry has not become too great for the government to handle, at least the present administration, which has not distinguished itself in food controls. Indeed Secretary Anderson a month ago admitted that the resumption of slaughtering quotas was a final attempt to whip the black market, with abandonment of price controls as the ultimate surrender. The quotas, incidentally, had failed.

If Anderson can think only of surrender, then President Truman should appoint someone else, and at the same time mobilize our enforcement resources. To bow to the black market is unthinkable. And to ask the people to observe famine days while lawless operators are wasting more than could be saved is a travesty.

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From St. Paul Pioneer Press, June 2 -

FOOD BLACK MARKET BUSY-by Alfred D. Stodman-A National awakening about food black markets is overdue.

Mrs. Consumer, can't you buy choice steaks or roasts? They are going into the black markets.

Must you stand in line for butter or go without? Butter is selling for \$1 to \$1.25 a pound in the black markets.

Have you had community outbreaks of illness due to eating bad meat? The meat probably came from uninspected killing plants supplying black markets.

Are your beef and butter costing you far more than ceiling prices? That runaway price inflation indicates that perhaps without knowing it you are buying black market. The OPA found back in 1944 that most Midwestern stores violate retail meat regulations.

And Mr. Farmer, is the local creamery that used to make butter from your cream shut down? It might be working overtime if the manager wasn't too honest to sell in the black market.

Can't the regular meat packer pay enough to buy beef cattle any more? That packer is up against cutthroat competition from the black market.

That's just an over-all view of the food scandal of 1946.

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From Chicago Daily Tribune, June 3 -

CRISIS IN BREAD-Editorial-From Washington comes the report that within a fortnight three-quarters of the bakeries of this country may be forced to shut down for lack of flour. Many millers have already suspended operations.

The millers have been reminding the bureaucracy that the government has accumulated more wheat than it can send overseas for relief in the next few weeks. Perhaps some of the excess will be released to the American people. There is little hope, however, that enough will become available to make much difference either to the milling trade or to the consumers.

Here we have another and particularly fine example of political and economic planning in operation. The diplomatic branch of the New Deal, at Yalta and Potsdam, prepared the way for famine in Europe. The result was easily predictable and was predicted at the time in this newspaper and elsewhere. The diplomats were unconcerned and so were Mr. Truman's bureaucrats who were charged with supervision of the food industries. They permitted hundreds of millions of bushels of wheat to be fed to animals when it should have been apparent to any one that famine overseas was going to place a tremendous strain on the available stocks of wheat.

Tardily the planners awoke to the situation they had created abroad and went to work on the problem with characteristic boneheadedness and characteristic zeal. They double-crossed the farmers and the grain trade with the suggestion that ceiling prices would not be greatly altered and then raised them in a desperate effort to get deliveries. They planned a 25 per cent reduction in the consumption of flour in this country and seem well on the road to accomplishing a 75 per cent reduction. When they have been criticized for lack of foresight and disregard for the needs of their own country, they offer as the excuse that millions are starving abroad.

What should never be forgotten is that this kind of thing couldn't have happened if the government had freed the grain trade and allowed prices to move in response to supply and demand.

The free market is an orderly market, precisely because prices are constantly moving up or down, to bring supply and demand into balance. The planners always succeed in creating disorder and the reason is not at all obscure. Regulated prices are always either too high to permit the market to be cleared or too low to accommodate all the buyers. That is why the planned economy moves from glut to famine and back again in a succession of crises. We are in one of them now and we shall experience others as long as the bureaucrats retain control of food prices.

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From The Milwaukee Journal, May 29 -

FOOD IMPORTS FROM FAMINE AREAS ARE ASSAILED-Washington, D. C.--(AP)-California nut growers protested to the house agriculture committee that nuts, dates and figs are being imported into the United States from countries adjacent to famine area.

D. R. Bailey, general manager of the California almond growers' exchange, declared Tuesday that the "highly nutritious" specialty crops could be used to supplement food supplies in areas of food scarcity abroad.

K. D. Loos, attorney for Oregon and California nut growers' associations, said more nuts from India, Italy, Turkey, Iran, Iraq, Spain and South America were imported during the seven months ended Mar. 31 than during an entire pre-war normal year.

"They could send them to their starving neighbors, but they want the American dollar," he asserted.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, June 6 -

ANDERSON PRAISES U. N. FOOD UNIT'S AID-Atlantic City-Clinton Anderson, Secretary of Agriculture, termed the Food and Agriculture Organization of the United Nations today the first real agency in the world to attack the problem of hunger at its roots.

Addressing 16,000 delegates and their families from forty-two countries attending the thirty-seventh annual convention of Rotary International, Mr. Anderson said the FAO was "one of the greatest hopes of mankind for peace and plenty in the future."

Asserting that in the FAO the world had the beginnings of international machinery to bring about common policies and actions among nations on food matters, he declared:

"I have high regard for the achievements of international diplomacy, but unless people are fed, the best treaties and agreements can come to nothing. Hungry people cannot be satisfied by anything but food."

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SAVE THIRD SLICE IS BREAD SLOGAN-Washington-President Truman's Famine Emergency Committee today urged Americans to forego every third slice of bread during the current wheat shortage.

Instead of bread, the committee suggested that more potatoes and other vegetables in abundant supply be consumed.

The committee described the wheat shortage, which it said would last about two months, as "the measure of the success of the Government's program to assist famine-stricken people in other parts of the world."

The committee also advised the public to eat less cake and other pastries so that more flour could be used for bread.

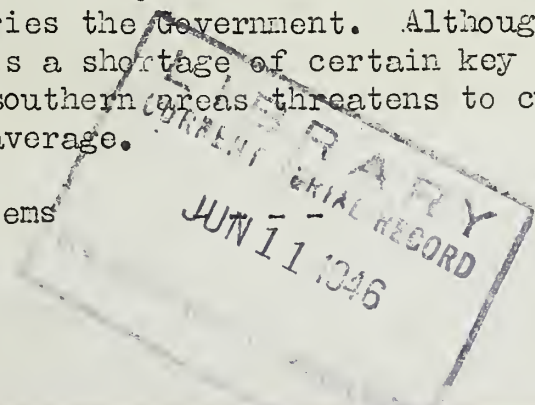
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UKRAINIAN ASSAILS DELAY IN UNRRA AID-Juev, USSR-Dissatisfaction with the progress of the United Nations Relief and Rehabilitation Administration program in the Ukrainian Soviet Socialist Republic was expressed today by Vassily V. Khomyak, chief of the republic's Bureau of UNRRA supplies, in an interview with British and American correspondents.

The failure of any of the items on the \$36,000,000 industrial rehabilitation program to arrive in the Ukraine has slowed down reconstruction throughout the country, Mr. Khomyak said, and this has produced "an unfortunate influence in the country."

These items are not the only ones on the overall \$189,000,000 program whose failure to arrive worries the Government. Although the country is not facing a famine now, there is a shortage of certain key foods, notably fats, and the current drought in the southern areas threatens to cut the harvest to about 50 per cent of its pre-war average.

(Turn to page 2 for other items in today's N.Y. Times.)



From The New York Times, June 6 -

FOOD DRIVE PLANS MADE-Mayor O'Dwyer met yesterday at City Hall with the five borough presidents and Newbold Morris, chairman of the New York City Famine Emergency Committee, to set final plans for a three-day coin collection next week on behalf of the United Nations Relief and Rehabilitation Administration.

Ten thousand volunteers are expected to take stations in the city during the drive, which will officially open with a ceremony Wednesday noon at City Hall.

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OATS MOVE UPWARD ON EASTERN BUYING-Chicago-Trading in oats broadened today with buying continuing active throughout the session, based, apparently, on a growing belief that price controls on farm products will be removed or relaxed considerably. Eastern buying was in evidence and shorts bought freely as the market moved upward. Closing prices were $\frac{1}{2}$ cent to $1\frac{1}{2}$ cents higher, with July at the ceiling of 88 cents at the finish. Minneapolis futures were unchanged to 1 cent up, buying being active in the deferred deliveries.

Old contract wheat and corn deliveries moved up 5 cents, the limit for the day, all these futures closing bid without offerings.

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HOARDING OF BREAD CUTS SUPPLY HERE-Panic-buying by New Yorkers and out-of-towners intensified the bread shortage here yesterday as cake supplies continued to exceed demand.

Grocers in scattered parts of the city reported evidence of hoarding and ascribed it to fear caused by reports that the countrywide shortage of flour would get worse for another week or two before it started to ease.

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OPA GRAFT CHARGED BY BUTCHER GROUP-Allegations of daily grafting by Office of Price Administration investigators were made yesterday by a group of Brooklyn butchers who refused, however, to back up their charges with names or evidence when challenged by Callman Gottesman, OPA district chief enforcement attorney, to "put up or shut up."

The butchers, 300 strong, caused a rumpus at OPA headquarters where they went to demand that they be deputized as Government investigators so they could help fight the black market.

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U.N. CAFETERIA SAVES FOOD BUT KEEPS NUTRITION HIGH-United Nations delegates, employes and associates patronizing the United Nations Cafeteria facilities at Hunter College are eating more fruits, greens and other comparatively plentiful foods instead of pastries, cereals and scarce grain and fat dishes, to cooperate with the famine emergency campaign.

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From the New York Wall Street Journal, June 6 -

FOOD PLANT TROUBLES - INGREDIENTS, CONTAINERS LACKING - Food manufacturers are a harried lot these days. Some plants are shutting down because they lack materials to process. Many a new item isn't being produced. Plans for new plants to increase production are being pushed farther and farther into the future. Wages are soaring; so are costs. But prices continue depressed by ceilings.

One important result: Thousands of workers are being laid off in large and small food plants all over the country.

These are the highlights obtained from a survey of its members by the Grocery Manufacturers of America, Inc. The organization's members range from the giant packing companies with thousands of employees to small local processors....

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EASTERN HOUSEWIVES GET CALIFORNIA'S BEST FRESH FRUIT BY AIR, Salinas, Calif.- Eastern housewives are skimming the cream of California's fresh fruit crops, thanks to the airplane.

During the past three weeks, for example, five plane loads of choice, vine-ripened Imperial Valley cantaloupes and other melons have been flown each day to a dozen major midwestern and Atlantic Coast cities.

Next week the best pickings from California's early grapes will take to the air. As the orchard crops mature, there'll be a steady succession of tree-ripened fruits.

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COTTON TEXTILES scarcity should be substantially relieved by the year-end. Textile men emphasize that cotton mills have been rolling out cloth at a high rate since V-J Day. Production is now 12% above the record peacetime output of 1939. Many close observers say that should O.P.A. price restrictions die, a heavy flood of cotton goods would pour into consumer channels almost immediately.

Some cotton clothing makers, meanwhile, are selling their wares direct to consumers. Two shirt manufacturers have opened retail outlets in Philadelphia.

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GOVERNMENT MAY SEIZE J.I. CASE PLANTS, Washington - Federal seizure of strike-bound plants of the Allis-Chalmers and J. I. Case farm machinery manufacturing companies "at any moment" was predicted yesterday by top Government officials.

"We can't give them any longer to settle the disputes through negotiations," one Labor Department policymaker asserted.

Seizure orders already have been drawn up which would permit the Agriculture Department to operate the plants and give employees the 18-cent-an-hour wage increase recommended by a Federal fact-finding board and accepted in the International Harvester Co. dispute, Government officials reported.

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ASSAILS SEIZURES, Chicago - Commenting on the Government's threat to take over operating of his company's plants, Walter Geist, president of Allis-Chalmers Manufacturing Co., said that "this type of undemocratic procedure might well be the beginning."

If the Government seizes our plants to obtain production of our farm and general machinery products," Mr. Geist said, "then it logically will have to seize 35 of our suppliers where there are also strikes."

The indicated pattern, he said, could ultimately "mean the seizure of all industry where strikes are called." If the Government can seize a plant or even all of an industry Mr. Geist said, "there is no reason why it cannot seize a local or an international union."

From the New Yprk Wall Street Journal, June 6 (Cont.)

HOUSE DEMOCRATES SPLIT ON FARM LOAN MEASURE, Washington - Democratic members of the House Agriculture Committee split over a proposed two-year extension of Federal authority to make Land Bank Commissioner loans to farmers.

Federal Land Banks are authorized to make loans to farmers up to 65% of normal agricultural value. Commissioner loans, made through the Federal Farm Mortgage Corp., were devised to fill the credit gap between 65% and 75% of normal value.

Reps. Poage (D., Tex.) and Pace (D., Ga.) contended that extension of the emergency credit would be tantamount to making it permanent legislation. They argued that the loans were necessary during a depression, when they were originated, but are unnecessary now.....

Disagreeing with them were I. W. Duggan, governor of the Farm Credit Administration; Chairman Flannagan (D., Va.), who introduced a bill to extend authority for the loans up to July 1, 1948; and Rep. Zimmerman (D., Mo.).

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GRAIN CROP ESTIMATES, Chicago - C. H. Galvin of James E. Benett & Co. estimates winter wheat production as of June 1 at 751,089,000 bushels, compared with the Government May 1 forecast of 742,887,000 bushels and 823,177,000 bushels raised in 1945. June 1 condition was placed at 76% of normal, compared with 80% a year ago and the 10-year (1934-43) average of 73%.

Spring wheat crop is estimated at 268,232,000 bushels against 299,966,000 bushels last year, and a 10-year average of 203,085,000 bushels. A condition figure of 77% of normal compared with 84% a year ago and the 10-year average 77%. Spring wheat acreage is reported at 18,372,000 compared to 18,658,000 a year ago.

Rye crop is placed at 21,244,000 bushels against 26,354,000 bushels harvested in 1945 and the 10-year average of 41,434,000 bushels. Condition of rye is estimated at 78% of normal against 84% a year ago and 10-year average of 84%.

Production of oats was tentatively forecast at 1,454,860,000 bushels, compared with the 1945 record crop of 1,547,663,000 bushels and a 10-year average of 1,068,399,000 bushels. Condition of oats was placed at 84% in 1945 and 10-year average of 78%.

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From the New York Journal of Commerce, June 6 -

SENATE GROUP APPROVES ST. LAWRENCE PROJECT, Washington - Legislation authorizing the St. Lawrence seaway and power project was approved by the Senate Foreign Relations Committee today.

Chairman Connally (Dem., Tex.) announced the vote was 12 for and 5 against. Later, after a poll of committee members, the clerk announced the vote stood at 14 for to 7 against.

Connally, an opponent of the bill which would open the Great pressed confidence that the Senate will not act on it at this session.

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SEE DAIRY PRICE REVISION DELAYED - Makers of American cheese and distributors, as in the case of butter, have nearly all withdrawn goods from sale, pending further knowledge of price revision. It is not felt now that any move will be possible until next week.

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From Chicago Journal of Commerce, June 3 -

IMPENDING BREAD FAMINE TYPICAL OF U. S. PLANNING-By Wilbur J. Brons-No housewife needs to be told that bread is becoming increasingly difficult to get. What she may not understand, however, is that the major responsibility for the bread shortage rests with her government. Unwise interference with marketing machinery, constant shifts of emphasis to this, that or the other crop as vital to the war and, finally, OPA price ceilings have produced a muddle from which we will extricate ourselves only with the greatest difficulty.

It will be recalled that in late January, this year, Washington began sending out warnings of an impending world wheat shortage. That warning was belated recognition of a situation to which the grain trade had called the administration's attention as long ago as last November. The trade was prepared at that time to accept restrictions on the domestic use of wheat and Washington knew it.

Farmers and grain men foresaw what was coming and did their best to advise the planners. But government planners are of a better mould than ordinary men. They do not take kindly to advice. They are ready to defend at a moment's notice their superior wisdom against the counsel of practical men.

By and large, the wheat dilemma is a sample of what we may expect when government regulates the national economy from top to bottom -- as most of our "liberals" would like it to do.

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From St. Paul Sunday Pioneer Press, June 2 -

U. S. FAVORS MILLED WHEAT FOR EXPORT-By Alfred D. Stedman-Policy of the U. S. government to encourage the milling of as much "mercy" wheat as possible into flour in this country before export to famine countries was announced Saturday night.

In response to a telegram of inquiry from the Pioneer Press, the Department of Agriculture disclosed that nearly one-third of all wheat exported since Jan. 1 has been milled into flour first. Use of the mill-feeds especially by dairy-men of the Northwest and other dairy areas, and employment of flour mill labor and machinery are among the big advantages of milling the biggest quantities possible in the United States.

The United States has found itself unable to compel importing countries that buy with their own funds, or even UNRRA, 65 per cent of whose funds are derived from U. S. appropriations, to take flour if they want wheat, but it has put increasing pressure on them to buy more of their grain in milled form, it was disclosed. The department's announcement was contained in a telegram from the information division of the Production and Marketing administration in Washington.

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From The Michigan Farmer, June 1 -

SHORT OF BALING WIRE-Editorial-Farmers can't get baling wire. We have talked with OPA officials, state and national, and they are working on the problem. There seems to be an appreciation of the need to save forage crops. But prospects aren't too good. It looks like another case of too little and too late.

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WHERE'S THE SUGAR?-Worry! Worry! One report tells there is going to be more sugar for canning this year. Another says less. Growers, housewives and processors are wondering which to believe. In the meantime, fruit keeps right on growing. Do we have sugar? If so, will it be available in time or too late? As the harvest season approaches, the simple and true facts become increasingly important.

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From The Times-Picayune, June 1 -

LEAPING FOOD PRICES-Editorial-In announcing a stiff hike in the retail prices of butter, milk and cheese, effective early in June, Stabilization Chief Bowles predicts another after July 1. The current increase is to pay producers more in order to get production, while the July revision will reflect the expected cut in the subsidies authorized by Congress.

Since the first lift alone will raise butter about 11 cents a pound, milk one cent a quart and cheddar cheese about six cents a pound, it is clear that family food budgets are in for the worst shock they have had in a long time. But it was to be expected. The government wage policy has substantially increased costs and the export of grain to the famine areas has reduced feed supplies to the danger point. We could not afford, moreover, to make the government subsidies a permanent governmental practice. To continue the subsidies much beyond the war's end would serve no good purpose, but rather the bad one of concealing from the people the inflationary effects of policies and trends which should be fully understood and combatted in the open.

The food price boost may help to convince more people that we have about reached the point in the inflation swing beyond which we cannot go without suffering the "bust" that has been so much under discussion.

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FARM OWNERSHIP PLAN SPREADING-The Louisiana self-proprietorship plan, initiated in this state by the veterans' administration to train war veterans on farms, has proved so successful that other states are adopting similar programs, Frank Martinez, Jr., VA regional manager, disclosed Tuesday.

The program was first started in Tagipahoa parish and has since spread throughout the state, Mr. Martinez said. He said that Mississippi and Texas are about to adopt the plan and that several Mid-Western states are studying it.

Originally designed for aiding disabled veterans, the program, which has the co-operation of the state department of education and the state extension service, now applies to all veterans.

The plan calls for 30 months' training on the farm, with the trainee receiving a minimum of 96 hours per year of instruction by a visiting vocational agriculture teacher. The trainee also receives a minimum of 150 hours of organized, related instruction in the classroom, shop, food preservation center or laboratory at nearby institutions.

In addition, the farm security administration aids the veteran to purchase the farm on which he is training.

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From The Christian Science Monitor, June 3 -

PATIENCE UNTIL THE HARVEST-Editorial-"No bread" signs are now being added at times to the collection of noes which have been greeting the public eye from food counters in the United States. Viewed in the true American spirit, they give cause not for grumbling but for gratitude -- gratitude because the shortage means that the Country is making a more intensive effort to fulfill its obligations to a starving world. Gratitude, too, for the multitude of other counters filled with fresh fruits and vegetables and hearty edibles to which the housewife can turn.

Any tendency to complaints should be stilled by contrasts. For the bread that might have furnished a minor part of a meal on the abundant side of the water may be supplying a whole day's food for a little family abroad. It is far better that there should be some temporarily empty bread shelves in the United States than needless empty stomachs in Europe.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room, 409A. Phone Gene Harrison at 6212.)

From the New York Times, June 7-

BREAD SCARCE OVER COUNTRY; FLOUR ALLOCATED TO N.Y. CITY BY U.S.--A three-week supply of flour--300,000 pounds--for the municipal hospitals, lodging houses and prisons and for the school lunch program was allocated yesterday by the Federal Government as the bread shortage continued unabated throughout the nation.

Black marketing of bread and other bakery products, already the target of a drive here by the Office of Price Administration, was reported on the increase in other parts of the country. In Philadelphia the district OPA said that black market prices for bread were 50 percent above ceiling.

Although the bread-buying rush on local grocery stores and bake shops appeared to have lessened slightly, most shelves were emptied of their loaves before nightfall and some before noon. Little hope of an overall increase in bread production was seen for about two weeks, and some bakers and millers did not expect improvement until new wheat crops come in heavily after July 1.

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CAFE FOOD SAVING HELD FAILURE HERE--The voluntary food conservation plan proclaimed by Mayor O'Dwyer to aid overseas famine relief has proved "inadequate and ineffective" in the restaurant industry of the city, according to a survey reported yesterday by the Local Joint Executive Board of the Hotel and Restaurant Employees International Alliance and Bartenders International League of America, AFL.

In a letter to Mayor O'Dwyer, the joint board, representing 50,000 organized hotel, restaurant, bar and cafeteria workers, proposed that the voluntary system be replaced by Government rationing of basic foods.

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HOOVER REACHES BUENOS AIRES--Buenos Aires--Herbert Hoover, chairman of President Truman's famine emergency committee, arrived today from Chile and was greeted at the airport by Foreign Office functionaries, John M. Cabot, counselor and other officials of the United States Embassy. The Foreign Office said the Hoover party would be guests of the Argentine Government during their week's stay.

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WHITE HOUSE SKIPS BREAD AND BUTTER--Washington--No bread and butter was served today at the first official White House luncheon to include both the President and Mrs. Truman. The President-elect of Colombia and Senora de Ospina Perz were the guests.

Mrs. Truman today was first signer of a five-point conservation pledge in a campaign by the Famine Emergency Committee to sign up 30,000,000 housewives to share food with those abroad.

Cabinet members and their wives, the Speaker of the House, and other high ranking officials and their wives were included in the guest list of sixty-five at today's breadless luncheon.

(Turn to page 2 for other items
in today's N.Y. Times.)

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From The New York Times, June 7 -

DAIRY FARMERS ASK FOR AID ON SUPPLIES-Poughkeepsie, N.Y.-Dairy farmers from Dutchess, Ulster, Orange and Columbia Counties today requested aid in obtaining grain and machinery at hearings by the Temporary State Commission on Agriculture concerning the milk price spread.

Hadley H. Benson of Wassais, a director of the Dairymen's League, speaking, he said, as a private farmer, declared that "an investigation into the milk spread would be a waste of the taxpayers' money."

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TRADING IN OATS AT CHICAGO LIVENS-Chicago-Trading in oats livened today after a sharp upturn at Minneapolis, credited to a new regulation placed in effect by the Minneapolis Exchange that makes it obligatory for both buyers and sellers of grain futures to make immediate deposit of 10 per cent of the sales price, and a further deposit of 10 percent for each thirty days beyond a ninety-day period. Prices were $1\frac{1}{2}$ cents a bushel higher at the top, but the market reacted and finished $5/8$ cent lower to $1/8$ cent higher. Minneapolis futures also reacted from the highs, but finished 1 cent higher.

The new regulation at Minneapolis was aimed at curbing long range buying and selling of cash grain, and also was taken to reflect the uncertainty existing in reference to price control developments.

The fact that the Senate Banking Committee upheld the move to remove price ceilings on meats, dairy products and poultry encouraged the belief that other farm commodities also might be removed from price control. As a consequence the bearish crop reports had less effect than they would have had ordinarily.

Cash prices for all grains hold at ceiling levels, with no apparent abatement in the demand.

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PRICE CONTROL AMENDMENTS-Editorial-The Senate Banking and Currency Committee has completed its consideration of the amendments proposed to the Emergency Price Control Act. The net effect of these amendments would be to limit the discretion of the price controllers in different respects than the amendments adopted by the House. Unlike the House bill, which with two or three exceptions, sets up general standards applicable to all products, the bill proposed by the Senate committee is a composite of special interests' legislation. Thus, the proposed bill makes special provision for textiles, dealers handling reconversion items, farm-machinery dealers, livestock, dairy products, work gloves, restaurants and hotels. This special-interest approach is highly undesirable, though perhaps inevitable once prices are thrown into politics.

Three basic objectives should be sought in the new price bill. First, price control should be tapered off so that, with the possible exception of rent control, it will have been eliminated before the middle of next year. Under the Senate proposal, prices are to be decontrolled when supply approaches demand. This is a meaningless standard, as experience with petroleum products and other items has well demonstrated during the past few months. If the OPA and the Department of Agriculture which is given authority to decontrol agricultural products, do not heed the advice of industry advisory committees, an appeal could be taken to a proposed three-man decontrol board. However, no definite decontrol standards are established to guide this board. The second objective should be to eliminate subsidies. Both bills place limits upon subsidies. The third objective must be a liberalization of OPA pricing standards. More realistic pricing standards must be an indispensable element of our price control program during its remaining life if production is not to be held back unnecessarily.

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From the New York Wall Street Journal, June 7 -

OPA RAISES PRICES ON MEAT MACHINERY, RAIL TIES, DISTILLERS' GRAINS, Washington - In a number of pricing actions, the Office of Price Administration has authorized:...

(1) Producers of meat packing and poultry processing machinery and equipment to increase ceiling prices 8.5% to cover higher materials and labor costs.

(2) Price increases of \$4.50 per thousand broad feet for Western pine railroad ties and Douglas fir switch ties. A \$5.50 per thousand increase was allowed for Douglas fir cross ties.

(3) Ceiling price increases of about \$11.50 per ton for distillers' dried grains, granted to reflect increased grain and feed prices.

(4) A new ceiling price of \$120.18 per long ton for Brazilian center beans imported on the West Coast.

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TEXAS FLOUR MILLS GRINDING NEW WHEAT AT CAPACITY RATE, Fort Worth, Tex. - Texans at least won't have to be satisfied with a half a loaf of bread, according to reports of bakers within the state. Fort Worth bakers report one to four weeks' supply of flour on hand and mills were reported running at capacity as the winter wheat crop pours into city and state elevators.

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From the New York Journal of Commerce, June 7 -

PRICES RECOVER AFTER EARLY DROP - Prices reacted sharply to reports of hot dry weather throughout the belt but trade buying rallied cotton futures to recover substantially all of the day's losses by closing yesterday. The final range was up 5 to off 5 points.

Market experts attributed the Southern liquidation to the change in weather throughout the belt. Weather Bureau charts indicated that clear skies and warm weather were general from western Texas to the Carolinas, and from Missouri to the Gulf. Entomologists asserted last month that hot, dry weather in June was necessary to combat the weevil menace.

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COFFEE MOVEMENT - Pending a price decision on coffee, trading is at a standstill with the producing countries, but within the growing areas speculative purchases above United States ceilings are reported to be heavy. Movement of supplies continues heavy, Brazil shipments in May totaling 1,830,000 bags against 1,576,000 in the previous month.

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SUGAR - With sugar stock in the hands of refiners amounting to a week to two weeks' supply, the threat of a general tie-up in shipping is creating concern in the sugar industry.

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FLOUR - Flour stocks continue to shrink and nearby outlook is bleak. Moreover, fears are voiced that any withholding tendency by farmers will prolong tightness indefinitely.

(Turn to page 4 for other items from today's N. Y. Journal of Commerce,)

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Farm Digest 1245-46-3

From the New York Journal of Commerce, June 7 -

CANNED FOODS - Cannery in Tri-State area report irregular maturity to peas, with frost and insect damage apparent in sections of the Eastern shore. Over-all production, however, is expected to compare well with last year.....Coast packers are expected to protest reported imports of canned fish from Peru labeled tuna, but really bonito.

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MARKETS - Hog receipts only moderate; obtain ceiling prices....Midwestern live fowl higher.....Market for iced chickens continues firm.....Trade slow on many vegetables, with values lower.....Butter, cheese trades confused pending price, revisions; "windfall" curbs anticipated.

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FOOD COLLECTION TOTALS SEEN HIGH, Washington - Secretary of Commerce Wallace estimated today that 50,000,000 cans of relief food will be collected through volunteer means by July 1.

"This should save many lives," he said.

Wallace testified before the Senate Small Business Committee as chairman of the Emergency Food Collection Program.

He said the group's New York headquarters has received \$323,000 and 349,848 cans of food from its 4,726 local committees and that shipments to New York are only beginning.

"Early reports from local committees indicated we may secure well over 50,000,000 cans of food," Wallace said, adding that local committees now hold 9,472,536 cans.

The Senate committee is looking into the relief situation in connection with a general inquiry into complaints from bakers and flour mills that Government grain buying for relief is forcing them out of business.

"While this problem is a difficult one," Wallace said, "Secretary of Agriculture Anderson "feels it is not quite as serious as indicated."

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FLOUR SHORTAGES CONTINUE ACUTE - Apart from an occasional small offerings of flour from Southwest mills on a contingent price basis there was no change in the over-all situation yesterday and mill men here continued to view the immediate supply outlook with considerable pessimism.

Some Hopes were entertained that the unusually early harvest in southwestern winter wheat areas might help to bridge the gap between old and new crop grinding but the pent-up demand was of such huge proportions that the supply of flour reaching bakers over the next few weeks would amount to only a small fraction of requirements.

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CARLOADING SHOW RISE OF 9.7 PC, Washington - The Association of American Railroads reported today that 626,885 cars of revenue freight were loaded during the week ended last Saturday.

This was an increase of 55,311 cars, or 9.7 percent, compared with the preceding week, a decrease of 211,001 cars, or 25.2 percent, compared with the corresponding week a year ago, and a decrease of 183,813 cars, or 22.7 percent, compared with two years ago.

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From The Kansas City Times, June 4 --

HOPE IN WHEAT LENDING-Kansas City millers last night were approaching the government's new policy of lending wheat for flour production with hope and crossed fingers.

As one leading miller said:

"I hope that something comes of this. So far, the government's wheat and flour policies have been the most short-sighted, uneconomical and disastrous set of regulations that Americans have faced.

"The new policy of lending wheat to mills until they can obtain their own from regular sources could mean a short breathing spell. Flour production last week was 18 per cent of capacity. Every time a mill wheel turned the miller lost money. The situation has become so acute in the last three weeks that mills cannot continue."

The production of Kansas City mills last week was 66,250 100-pound sacks, which was 215,093 sacks below 1945 production for the same period.

The slump in production meant a loss for the week of \$711,957 to the Kansas City mill and grain industry and \$129,055 additional loss in flour subsidies to Middle West wheat producers, a milling spokesman said.

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From Watertown, N. Y. Daily Times, June 4 --

SHORTAGES OF MEAT AND WHEAT GROW ACUTE: 90% OF FLOUR MILLS CLOSING-Housewives stood in line for meat and bread today, but many got neither.

Shortages of meat and wheat across the nation were growing more acute, a survey showed. The government moved to increase bread supplies in critical areas through a "lend-lease" arrangement with millers.

But at Chicago representatives of the millers believed the plan would be of little help. They said 90 per cent of the nation's flour mills already had closed.

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MILLS GRINDING EXPORT FLOUR-Buffalo, (AP)-Flour mills in Buffalo, the world's largest milling center, continued to grind flour for export today but production of flour for consumption within the United States was nearing an end, milling executives have declared.

Spokesmen for the mills, who asked that they not be named, said last night that production of flour for export is the only thing that keeps the mills operating here.

They asserted that most mills have used up practically all of the available wheat that can be made into flour for domestic consumption.

A complete shutdown of some mills in Buffalo in the next ten days appeared certain unless wheat is obtained from the Commodity Credit corporation.

Local grain men said they do not know how much the agriculture department's program to lend wheat to mills.

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From Wallaces' Farmer and Iowa Homestead, June 1 --

STATES WITH FEED GET THE BREAKS-A tight feed year always helps the states that have the feed. Eastern states that have to ship in a lot of their feed will have to cut down heavily on poultry and pigs, and will use what feed they can get to keep their dairy cows producing.

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From The Boston Herald, June 5 -

REAL BREAD FAMINE STILL AHEAD FOR N.E. - Unless the government takes immediate action to divert wheat earmarked for foreign consumption, New England families will be without bread by the end of June, Walter Sands, president of the New England Flour Distributors, said last night.

"If people think this is bad," Sands warned, "let them wait two or three weeks and they will know what a bread famine really is."

In Chicago while the Millers National Federation was announcing the southwest's wheat crop, now being harvested, as 25 per cent larger than anticipated, Herman Steen, executive secretary of the federation, said there would be no immediate expansion in bread output. "Even if the government's plan to use foreign relief supplies in critical areas proves workable, a time lag of two to three weeks will result," he asserted.

Sands, who is also president of the Sands, Taylor & Wood Flour Distributing Company, the oldest flour concern in New England, said his firm had not received a shipment of wheat for three weeks.

"We've written to congressmen and government officials until we're blue in the face, and we don't even get replies. People won't do anything until they get hungry," he added.

Sands said that 90 per cent of New England's bakeries would be closed by June 15.

"There is no use talking about the new wheat crop," Sands continued, "because we haven't the least idea how much we'll get. Without the 30-cent subsidy the farmers were getting from the government, which was discontinued the end of May, and with the OPA ceiling prices in effect, the farmers may store their wheat or feed it to livestock."

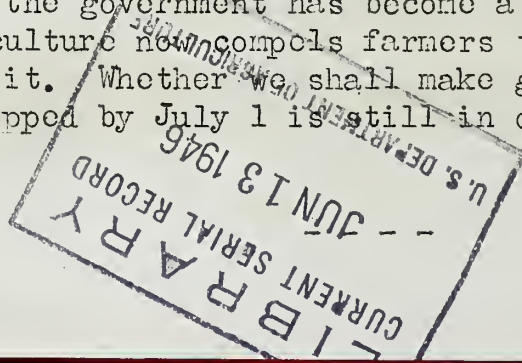
Sands also pointed out that UNRRA could purchase wheat at 30 cents more per bushel than private buyers could pay. "It's simply a government-sponsored black market," he said.

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WHO EATS OUR BREAD?-Editorial-Painless charity is not charity. We cannot share our good living with the hungry of the world, without ourselves living a little less well. So, in the midst of ample supplies of potatoes, fish, milk (for the time being) and other staple foods, we can do without bread, which is so far the first tangible sacrifice we have been called upon to make for the hungry in other countries. Indeed it is quite proper that the wheat ration for Americans should be less than for Europeans, since we have so many other and better foods, and they so few.

Back on April 20, The Herald deplored the feeble measures taken by the Administration to meet the challenge of famine abroad. At that time we said: "It can be done only by measures, however drastic, that take the actual wheat, the actual fats and oils, the actual protective foods for starving children and put them on actual ships with AAA priorities . . . Maybe it means formal rationing, maybe it will mean for a while too much wheat going into pies and not enough into bread, but hunger over there will not wait on administrative niceties over here."

Since then, the government has become a little more courageous. The Department of Agriculture now compels farmers taking wheat to elevators to sell at least half of it. Whether we shall make good our pledge of 400,000,000 bushels to be shipped by July 1 is still in doubt, but the bread shortage is a hopeful omen.



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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From the New York Times, June 10 -

MEAT FAMINE FEARED IN RANCH 'HOARDING'-Washington-A meat famine will hit the country within a week if cattle and hog producers continue to withhold their animals from the market, the Office of Economic Stabilization said tonight.

Officials said that there appeared to be a 'universal feeling among ranchers and farmers that if they hold off until July 1 price controls would be lifted or so weakened that prices would soar. He said the holding-back scheme had grown steadily worse for several weeks.

The situation was further aggravated, he said, because there also was withholding at the packer level in anticipation that OPA controls would be removed.

OPA released tonight a statement showing that livestock receipts in twelve principal terminal markets were steadily declining. The railroad strike curtailed shipments for a time, but both OPA and the Department of Agriculture now agree that the cattleman's "Wait-and-see" policy is primarily responsible.

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SCORES U.S. FOOD POLICIES-Washington-Senator Arthur Capper, Republican, of Kansas, said today that some of the Government's food policies were "absolutely unexplainable," such as why carloads of wheat are being shipped to Mexico when the country's own flour mills are closing down.

In an address over radio station WIBS, Topeka, he surveyed the farm and food relief programs, and maintained that conditions generally were changing for the worse. He saw rationing next winter as a possibility and said that Americans faced "a decided lowering in standards of living for some years to come, perhaps for always.

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TRUMAN ASKS UNITY IN FIGHT ON HUNGER-Atlantic City-President Truman called today on the American people for a united effort to alleviate the suffering of millions of homeless victims of the war. In a message to the convention of the Independent Order of B'rith Abraham he declared that "we must fight against prejudice, disunity, disregard for suffering, hungers and all the ills that beset a troubled world."

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RESUME RATIONING, 2 MORE GROUPS ASK-The movement for rationing of meat, fat, grain and possibly some other foods received added support yesterday from the New York League of Women Shoppers and the National Lawyers Guild. Both organizations officially have endorsed the mass meeting Thursday night in support of "a more drastic program" of food conservation, it was announced by Mildred A. Gutwillig, chairman of the New York City Consumer Council, sponsor of the rally.

(Turn to page 2 for other items
in today's N.Y. Times.)

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From The New York Times, June 10.-

GRAIN TRADING IN CHICAGO-Chicago-A big trade developed the past week on the Board of Trade in oats futures, while transactions in other grains were the smallest of any week so far.

Oats future sales totaled 71,065,000 bushels, which compared with 23,084,000 bushels in the previous week and 19,075,000 in the corresponding week of last year. There was general buying, as well as extensive evening up by shorts following heavy margin calls.

Total wheat sales were 1,654,000 bushels, compared with 288,000 in the previous week and 49,466,000 a year ago.

Even with the big trade in oats sales of all grains were 73,141,000 bushels, against 138,959,000 a year ago.

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STRENGTH IN OATS SURPRISES TRADE-Chicago-The oats market showed surprising strength last week in view of improved weather conditions in Northwest States and Western Canada, where rains were fairly general and precipitation heavy in some areas. From the main producing sections in this country came reports that were extremely optimistic in regard to the oats crops. However, the outside trade appeared impressed with the possibility that ceiling prices on grains might be removed, stimulating public participation in the market on the buying side.

The fact that wheat, oats and rye advanced to the new and higher ceiling levels during the week was another factor that encouraged buying although there is but little room for profits on the long side of oats under present ceilings.

A Washington report that a canvass of Senate members had disclosed that fifty Senators are in favor of removing farm products from price control was a factor early in the week.

On Friday old-style deliveries of corn reached the new ceiling levels, and previous to that wheat and rye also had moved up to the new maximums.

There has been some trade in wheat futures at the ceilings but the trades represented mainly straddling operations, and it has not been possible to buy futures straight. No trades have been made in rye, and none in corn until the ceiling was reached, when there were just a few transactions.

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COTTON IS HIGHEST SINCE 23-24 SEASON-Cotton prices in the domestic market moved into new high ground for the season last week on buying influenced by developments in the price-control situation. At their peak for the period, prices of futures on the New York Cotton Exchange were at the best levels since the 1923-25 season and at the close of trading Saturday active contracts showed net gains of 49 to 59 points. This advance followed a rise of 13 to 41 points in the previous week and a gain of 72 to 99 points two weeks before.

The principal factor in the movement of the market last week was the approval by the Senate Banking and Currency Committee of a price-control bill that drastically curtails the powers of the Office of Price Administration.

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From the New York Wall Street Journal, June 10 -

BABY FOOD BUSINESS- -NEAR-RECORD BIRTH RATE, MANY MARRIAGES AUGUR ROSY FUTURES - The 25-year-old baby food industry, which first saw the light of day in the basement of a private home, has grown into a strapping \$100 million a year business. Within the next few years, they predict, it will be zooming along at better than \$125 million a year. Makers of baby foods base their prediction of future growth on two main factors.

One is the sharp upturn in the birthrate. Last year, about three million babies were born in this country, almost a record. With new marriages in the first three months this year nearly 50% above the like 1945 period, baby food producers expect the birthrate to continue close to record levels for the next few years anyway.

The other big source of optimism is the vast untapped market for baby foods. Despite the tremendous expansion in recent years--1940 sales were only \$25 million--relatively few families have used these products. A survey of a thousand families taken recently by a leading manufacturer showed that only 210 or 21% used prepared baby foods. The other 79% had never tried them.

Less tangible, but still a factor that can't be ignored, say baby food makers, is the increasing use of these foods by adults.

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PRICE CEILINGS RAISED ON DAIRY EQUIPMENT, Washington - The Office of Price Administration has authorized price increases in five industries.

Manufacturers of industrial dairy processing machinery and equipment used by cheese manufacturers and condensed and evaporated milk producers are being given an interim price increase of 8% over price levels in effect on October 1, 1941. A permanent price adjustment will be made following completion of a cost survey, O.P.A. said.

- - -

RAILS READY TO HAUL WINTER WHEAT, Kansas City - Movement of the winter wheat crop will be handled as well as or better than last year, railroad officials told the grain industry here.

Officials of the Association of American Railroads admitted that war had taken its toll of box cars for shipping wheat but asserted that freight will be moved faster this year than last when troops and war equipment moving west had priority on all lines.

R. E. Clark of the A.A.R., Washington, declared the wheat car situation this year would be 25% better than last year.

Mr. Clark added that greater load use would be secured from cars by faster turn-arounds, with equalization of use among roads through an interchange twice weekly of cars within any given terminal in this region. Policing of this program, which will be in effect between June 15 and August 1, will be done by the A.A.R.

Trade estimates of the 1946 winter wheat crop were placed at 760 million bushels in a report made by Walter R. Scott, executive vice president of the Kansas City Board of Trade. The figure is 18 million bushels above the Government May 1 estimate. Mr. Scott placed the Kansas crop at 175 million bushels in comparison with the May 1 Government estimate of 168 million bushels.

(Turn to page 4 for other items from today's N. Y. Wall Street Journal.)

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Farm Digest 1255-46-3

From the New York Wall Street Journal, June 10 (Cont.) -

U.S. AND CANADA CONTINUE EXCHANGE OF THRESHING CREWS AND MACHINERY, Washington - The Agriculture Department announced that the United States and Canada have continued another year their exchange of threshing crews and machinery to facilitate the grain harvest.

Under the wartime plan, Canadian crews could be spared because the American wheat crop ripened earlier. This was largely harvested by the time the Canadian grain was ready.

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DATA ASKED ON OPEN GRAIN ACCOUNTS-Chicago- The business conduct committee of the Chicago Board of Trade requested clearing members to furnish it with information concerning all accounts having open positions in all contracts of grain. This includes wheat, corn, oats, rye and barley futures. The data is to be supplies as of close of business Friday, June 7, 1946,

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FARM PICTURE BRIGHT IN WISCONSIN, Milwaukee, Wis.- The farm news from Wisconsin is definitely good, despite the fact that the state is feeling the pinch on meat, bread and even on beer.

Contrary to the trend in most states, milk production in Wisconsin continues to climb aided by abundant hay and silage supplies and new grass. March milk production was 1,367 million pounds, up 5% from a year ago, and April output reached 1,484 million pounds.

In the first four months of 1946, Wisconsin's dairy output totaled 5,049 million pounds about 14% of current total national production. This compares to 4,852 million pounds in the same period in 1945, and is 30% higher than the 1935-44 average. April production was the highest for any month on record and with good pastures, May's figures will be still higher.

Crops are coming along well. The small grains--oats, barley and rye--and the little wheat grown are thriving. The corn is up and flourishing from the warmer weather and rains.

The big pea crop is in the flower stage, and unless something happens between now and harvest, the canners should get more than even the large 1945 pack.

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NEW "BUG BOMBER" GOES ON A TEST MISSION THIS WEEK, Niagara Falls, N. Y.- Development of a "bug bomber"--a specially equipped helicopter--which will be tested on a crop spraying and dusting project in the Yakima valley, Wash., was announced by the Bell Aircraft Corp.

Herman A. Poulin, president of Central Aircraft Co., a pest control concern who will supervise the test added:

"In addition, we expect greater effectiveness of dust and spray applications by helicopter because of the downwash effect of the airstream from the rotor blades and because the helicopter is the only aircraft in the world which can be flown at extremely slow speeds, as well as sideways and backwards with precise control."

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From Prairie Farmer, June 8 -

LITTLE CHANCE OF BONUS FOR THOSE WHO SOLD EARLY-According to Sen. Langer of North Dakota, one wheat producer had 400,000 bushels on hand when the 30-cent bonus was offered.

Sen. Langer said the producer was Thomas Campbell of Montana, and that Campbell himself had mentioned the 400,000 bushel figure. If true, Campbell had a \$120,000 windfall.

Big operators got most of the bonus money because they could afford to hold their grain off the market. The average farmer had sold both wheat and corn long before bonus was announced. They needed the money.

I know this fact is behind many demands to make the bonus apply to the entire 1945 crop -- not just that fraction of it which was still on farms April 19. Most of the letters we have received about the bonus make exactly this point.

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From The Milwaukee Journal, June 4 -

SO BUTTER GOES INTO HIDING-Editorial-Butter, which has been scarce in the Milwaukee market for many weeks, is today scarcer than ever. The blame for the present situation falls on the OPA. Will it never learn?

When the OPA announced last week that the price of butter would at a future date be raised 11c a pound, it was entirely natural and quite to be expected that the current availability of butter would be adversely affected. Is a man going to lose 11c a pound on the butter he has if, by waiting a few days, he can get the new price? He will sell what little he feels he has to sell to avoid serious criticism -- and hold the rest for the promised rise.

This has happened again and again with every article which can be kept from spoiling, when the OPA, for some unfathomable reason, has chosen to pre-announce price rises. It would seem that even the most obtuse government agency would have learned that it is the height of unwisdom to announce price changes until they are actually to go into effect.

These premature warnings of impending price rises just do not make sense. Why should this agency, on which the country must depend for uninterrupted distribution as well as for price protection, be so obtuse?

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From The Times-Picayune, June 4 -

STRAWBERRY SCHOOL SLATED TO ASSIST PRODUCERS OF BELT-Hammond, La.-Five strawberry schools are announced for Tangipahoa parish, June 13-14. The objective is to bring the strawberry farmers and others interested up to date on the latest information on cultural practices, varieties of plants, liming fertilization, insect and disease control.

A number of the best qualified horticulturists and other specialists in Louisiana will lead the discussions. Dr. Julian C. Miller, chief horticulturist with the research department of LSU; W.F. Wilson, Jr., in charge of the fruit and experiment station in Hammond; Joseph Montelaro, in charge of multiplying new seeds and plant varieties; Dr. Francis Labau, plant pathologist, who has been handling strawberry plant disease problems, and C. E. Smith, entomologist, are among those to appear on the program.

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From The Times-Picayune,

FARM OWNER TRAINING-Editorial-Extension to other states of the Louisiana plan for training prospective GI farm owners may be taken as a tribute to its integrated educational aspects. Regardless of the future the farm holds for the veteran, and the difficulties of modern successful farming, the fact is a number of service men have every intention of "taking a cut at it" with a federal loan backing. Their way can be made easier through sound education--particularly if the process pays them \$65 to \$90 a month subsistence. Approximately 1200 veterans are now enrolled in this state department of education, and the state extension service.

The course is a combination of practical, classroom and laboratory work such as many students (particularly veterans) yearn for, profit from and maintain interest in, where other specialized systems pall. It takes the student to the farm, lecture room, shop, food preservation center, etc., for a combined 240 hours' instruction per year, over a 30-month period. Scoffers may say no farmer can be "turned out" with that little preparation. This may be true in the absolute sense, but a lot can be learned in this way to protect an investment. Then, too, its sponsors assume that candidates will have some farm experience and managerial ability and be physically fit.

It is understood the idea for this course originated with Allen A. LeBlanc, senior agricultural training officer for the VA here. Texas and Mississippi are now going to try it.

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From Wallace's Farmer and Iowa Homestead, June 1 -

WHY PASS THE BRITISH LOAN?-Editorial-Does it matter to farmers whether or not congress approves the loan to Great Britain? R. H. (Spike) Evans, former AAA chief in Iowa and at Washington, and now farm member of the Federal Reserve Board says:

"If the congress fails to approve the British loan, we will know definitely that American agriculture will be excluded from some markets it formerly enjoyed. The first ones to feel the impact of the failure to approve the loan would be the cotton, tobacco and wheat farmers. But we know from long experience that when one part of agriculture becomes sick, the disease rapidly spreads to every other part."

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INFLATION NOW--AND THEN WHAT-Editorial-Inflation is here now. Too many controls were taken off after V-J Day. How much higher will prices go, and for how long?

After the close of the last war, it took about two years for inflation to run its course. If history repeats itself--it doesn't always--we have another year of inflation to go thru.

Sooner or later, after inflation, the drop comes. Pay your debts when the price level is rising. Buy cautiously. Sell what you can. Put your spare cash into U. S. Savings Bonds.

Those bonds will buy some bargains for you after deflation begins.

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From The Northwestern Miller, June 4 -

CANNED BREAD FOR CONSUMERS-Cincinnati, Ohio-Canned bread, it is reported, will soon be on the civilian market. Developed by the Kroger Food Foundation here for the War Department during the war, canned bread taste and smell as fresh as though just baked.

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Farm Digest 1255-46-6

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison on 6212.)

From The New York Times, June 11 -

MEAT DEALERS SEE A 'COMPETITIVE' ERA-An era of "formidable competition" will follow the ending of meat price controls, according to the New York State Association of Retail Meat Dealers which prepared yesterday, at its annual convention, for the establishment of cooperative slaughterhouses so that neighborhood butchers might meet the competition of chain stores.

The convention was attended by 100 delegates who represented 4,000 retailers. The delegates took it for granted that meat prices would be freed from Government controls by July 1, and denounced Office of Price Administration policies and recent enforcement drives in this city, which they said had diverted meat to other parts of the country where the war against black markets was not so effective.

Samuel Morganroth, association counsel, predicted that the price of meat would "go down in three weeks after price control is removed." In answer to a question he explained that he did not mean it would necessarily be lower than present ceiling prices. He said it would recede from "the prevailing prices of today," which are black market prices substantially above ceiling.

Butchers attending the convention told reporters that poultry supplies, which had been plentiful for many months, were rapidly diminishing and that black market practices were returning to the trade.

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BOWLES SEES MEAT 50% UP IF OPA ENDS-Washington-Chester Bowles, Stabilization Director, declared today that current meat shortages were attributable to the withholding of livestock from markets in anticipation of higher prices resulting from the possible Congressional removal of price controls over meat.

Emerging from the White House after a conference with President Truman, he told reporters that the lifting of controls, as recommended by the Senate Banking and Currency Committee as an amendment to extension of the Price Control Act, would cause an increase of "40 to 50 percent" in prices of meat beginning July 1.

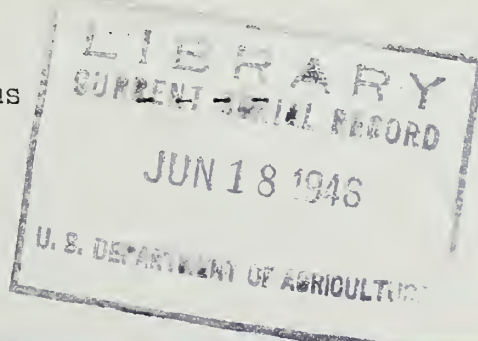
The American Meat Institute countered immediately with a statement describing Mr. Bowles' allegation of withholding as "pure fiction and reckless distortion of facts" and maintained that the causes for the meat famine were these:

"The legitimate industry, because of strangling OPA controls, is having a difficult time getting any meat at all.

"The Government is taking large quantities of legitimately produced meat from seasonally reduced receipts of livestock.

"Great quantities of meat are being diverted to dishonest channels because legitimately operating packers cannot compete with the black market under OPA restrictions."

(Turn to page 2 for other items in today's N.Y. Times.)



Farm Digest 1265-46

From The New York Times, June 11 -

LONE BREAD LOAF TAKEN TO CAPITOL-Washington-A woodworker clad in work clothes appeared before a Congressional committee today, flourished a loaf of bread and complained he had spent two hours and searched five bakeries to find it.

The unscheduled witness, F. L. Frillman of Washington, had a double tale of woe to relate to the Senate's Small Business Committee, which is trying to find out the reasons for the bread shortage.

On top of the bread scarcity, Mr. Frillman lamented:

"It's getting so you can't find meat--nothing but salami."

And a sugar broker complained that too many Government agencies "have their fingers or hands in the sugar pie--and like it."

Ody H. Lamborn, New York sugar broker, put it this way:

"High Government policy plus the State Department plus the Department of Agriculture, plus the OPA, Army, Navy, Lend Lease, UNRRA, the Combined Food Board and other agencies have provided a scrambled egg program so confused and ineffective that the miracle is that conditions were not and are not much worse."

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TO LET COLD CEREALS RISE-Washington-Prices that housewives pay for three kinds of breakfast cereals are going up soon and other types probably will cost more before long, an OPA official said today.

This official, who asked anonymity, said prices for puffed rice, puffed wheat and corn flakes would be raised about 2 cents a pound, possibly this week.

The increase was necessary, the official added, because of higher costs of grain and a reduction of cereals output, resulting from famine relief requirements.

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PRICES FOR COTTON HIT 22-YEAR HIGHS-Soaring to new 22-year highs, the Cotton Market on the New York Cotton Exchange continued its upward course yesterday and closed 28 to 34 points net higher.

Starting 5 to 13 points higher, prices rose steadily, with only a moderate amount of business.

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TRADING IN GRAINS NEARS STANDSTILL-Chicago-Except for a few trades in oats futures and one or two transactions in September corn and September wheat, trading was at a standstill on the Board of Trade today, every delivery of all grains being at the ceiling level. Pit traders apparently were resigned to wait out developments at Washington, where the Office of Price Administration Extension Bill is under consideration on the floor of the Senate. The fear that ceilings on grains will be relaxed or entirely removed eliminates any selling pressure at the moment, while shorts are on the anxious seat and willing to pay the maximum pit price if they could cover their trades.

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From the New York Wall Street Journal, June 11 -

MEAT MARKET TROUBLES ahead are being born now in cattle feeding lots. Farmers who would normally be seeking calves and cattle to fatten for market just aren't buying them this year. The reason: They have nothing to feed them. Last month farmers purchases of cattle and calves in the Kansas City market were 23% below a year ago, 37% under the war peak of 1943. Total 1946 buying through May was 30% under last year.

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MILLERS' PROPOSAL TO RETURN TO NORMAL FLOUR EXTRACTION RATES GOT NOWHERE-- Mill men argue that white flour yields a higher return of much-needed livestock feed by-products. But this does not impress Government officials who would have to approve abandonment of the 80% extraction rate.

These officials look on the proposal as a counter-attack to head off an even higher extraction rate of 85% proposed for all nations by the recent International Food Conference. But, as things stand now, flour millers have little cause for worry on this score. Unless the world food situation takes a decided turn for the worse, there appears to be no chance that the U. S. will agree to 85% flour.

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HAY LOSSES will contribute to the general livestock feed scarcity this year. The prospect springs not from the lack of hay itself, but from a shortage of "baling wire" with which to tie it up. Because of low O.P.A. ceilings on this wire, steel mills find little or no profit in making it. Steel, coal and rail strikes have further curbed output.

Farmers last year used 105,000 tons of baling wire. This year they'll need an estimated 110,000 tons. But the prospect is they'll get only a fraction of that.

Manufacturers' baling wire shipments, which totaled about 19,000 tons in the first quarter of last year, fell to less than 15,000 in the like month of 1946.

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BIG TOBACCO FIRMS ARE HELD VIOLATORS OF ANTI-TRUST ACT, Washington - The Supreme Court upheld a judgment of the Circuit Court of Appeals finding the American Tobacco Co., Liggett & Myers Tobacco Co. and R. J. Reynolds Tobacco Co. guilty of violating the Sherman Anti-Trust Act.

The lower court verdicts upheld by the Supreme Court showed that the three tobacco companies conspired to fix prices and to exclude undesired competition in the purchase of domestic flue-cured tobacco and burley tobacco.

The Government introduced evidence showing that although there was no written or express agreement discovered among the three firms, their practices included a clear course of dealing. The Government also presented evidence to support its claim that before tobacco markets opened, the "Big Three" placed limitations and restrictions on the prices their buyers were permitted to pay.

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(Turn to page 4 for other items from today's N. Y. Wall Street Journal)

Farm Digest 1265-46-3

From the New York Wall Street Journal, June 11 - (Cont.)

MEAT, WHEAT, DAIRY AND POULTRY PRODUCTS WITHHELD FOR HIGHER PRICES, Washington - Groceries will be increasingly scarce until the price control question is settled.

Reports of food — meat, wheat, butter, cheese, and poultry products—being held off the market in hope of increased prices after July 1 are reaching Washington daily.

This holding back of food is attributed to producers who are awaiting decision on decontrol amendments to the O.P.A. extension bill now pending in Congress.

Meat production dropped 18% last week from the previous week and stood at 22% under the same week in 1945. The Department of Agriculture diagnoses the trouble as withholding of livestock by producers. Further, the Department says meat animal growers can be expected to continue to hold on to their stock as long as there is a possibility of the removal or modification of price controls.

Chester Bowles, head of the Office of Economic Stabilization, has produced a set of meat slaughtering figures intended to prove that the decline in meat supplies can be attributed to this "waiting" tactic.

Butter supplies, already woefully inadequate, have practically disappeared from distribution channels, the Agriculture Department reported. Creameries are said to be storing butter at the point of production in the hope that the present complicated system of price control and subsidy payments will be ended by Congressional action this month. Cheese makers are said to be following the same pattern.

According to reports reaching the milling trade, farmers now harvesting wheat in Texas and Oklahoma are showing reluctance to sell. A valuation of these reports is difficult because grain is moving to markets this season several weeks earlier than usual. This complicates the task of determining the proportion of the grain which may be held off the market.

Stocks of poultry and eggs in cold-storage warehouses are already close to record levels. Poultry economists say these are being held in speculation on a long range price increase rather than a quick boost in prices following July 1.

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MILK PRICE INCREASE RAISED LIVING COSTS 1/4 of 1%, Washington - Office of Price Administration officials estimated that the recent one-cent-per-quart price increase for milk boosted the cost of living 1/4 of 1%.

This will cost the consumer as much as all the rest of the price increases during the last month, the officials said.

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EGYPTIAN COTTON ACREAGE- Egyptian cotton acreage this year is expected to be 10% to 20% over that planted in 1945, according to recent advices to the New York Cotton Exchange Service Bureau. Prospects for continuing good prices and the fact that more land is available for cotton this season in some parts of Egypt account for the larger acreage forecasts, which run around 1,200,000 acres compared with 1,018,000 acres planted in 1945. Cotton production for the 1945-46 season amounted to 1,061,000 bales of 478 pounds each.

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From The New York Times, June 9 -

REPORT FROM THE NATION-Midwest States-Big Gains in Crop Prospects Cheer Farmers-Omaha-A spirit of well-being pervaded the rural Midwest this week as crop prospects assumed rosy hues and the flow of wheat from the farm to famine areas of the world hit its peak.

Although cash grain markets were still badly depressed and many mills were closed for lack of wheat, the bread grain rolled in a steady stream from country points to terminal elevators for disposition under Government regulations. There were indications that producers would continue to dispose freely of the remaining farm-held wheat.

One reason for the continued flow of the vital grain, finally jarred loose by the Government's bonus program, is that the harvesting of winter wheat is in full swing across the southern edge of the Midwest. And, throughout the area, crop experts are predicting yields well in advance of the Government's May 1 estimates.

Kansas, a major wheat producer, provides a good example of how winter wheat prospects improved under the influence of timely rains during May and early June. The Government's May 1 estimate for the State had been cut to 168,000,000 bushels because of April drought. But some conservative observers are now placing the expected harvest at around 180,000,000 bushels and the more optimistic believe it may hit 200,000,000 bushels.

The harvest, incidentally, is coming in earlier than usual because of an early spring and well-spaced rains in the past month.

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RAIN SAVES WHEAT IN SOUTH UKRAINE-Moscow-Heavy rains throughout the southern Ukraine in the last four days have saved the wheat crop throughout that area, according to a Tass dispatch, printed today in Izvestia, Government newspaper.

The rains relieved a situation that had been viewed as extremely serious by Soviet agricultural experts. According to the report, the downpour "thoroughly soaked the soil and created favorable conditions for the growth and treatment of crops."

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From St. Paul Pioneer Press, June 5 -

AT STAKE IN GRAIN CASE-Editorial-Once more, the farmers' money is at stake in a complicated legal dispute that has been instigated in the grain trade. Their money has been the magnet attracting the attention of the National Tax Equality association in the co-op income tax fight that is led by men high in the Minneapolis grain trade. Their money is the bone of contention in the issues raised before the Minnesota Railroad and Warehouse commission by Commissioner Ray P. Chase and complaining grain interests.

What's the dispute about? One issue remains to be disposed of by the commission or the courts. Though little understood, that issue really is simple.

It is the question whether those farmers who wish can consign and handle their own grain through their co-ops all the way from farm to miller or exporter without paying any commission to a private grain firm. So long as farmers can continue to handle their grain that way, they will retain their present chance to get back as refunds any savings, after costs, that are made on the charges of $1\frac{1}{2}$ cents a bushel commission on wheat, for example, and of $2\frac{1}{2}$ cents allowed to elevators for elevating, handling, cleaning and mixing. On grain shipments running into the hundreds of millions of dollars, the amounts of the farmers' money involved are no small stake.

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From The Memphis Commercial Appeal, June 5 -

MOORE ASKS BUSINESS TO HELP AGRICULTURE-Agriculture, which represents an investment of 10 times as big as the automobile, steel and coal industries, is ready "to bring advancement and prosperity" to the communities of the South, M. P. Moore, planter and cattleman at Senatobia, Miss., said yesterday.

Mr. Moore owner of the Circle M. Rance at Senatobia, addressed members of the Memphis Rotary Club and representatives of the Friends of the Land.

The agricultural leader urged that business men of this area not turn a "deaf ear to agriculture today."

Mr. Moore called on business interests to consider the advantages and returns offered by investments in agriculture, and appealed for business men of the area to take the reins of leadership in sponsoring a program of diversified and balanced farming throughout the South. He pointed to the Shelby County Penal Farm as an example of "successful American agriculture" through balanced farming.

Citing the natural agricultural advantages of the MidSouth, Mr. Moore said, however, that the health of this area has deteriorated as a result of lack of soil conservation.

The South, he said, contains one-half of the Nation's farmers, yet one-fifth of the Nation's implements; one-third the population, yet only a 10th the income. The poor financial return offered by farming has caused the youth of the South to be drained off to the North and East, "making us poorer and the East richer." Mr. Moore said a program to advance farming should consider the part the youth of the South will play in future success of agriculture.

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From Chicago Daily Tribune, June 5 -

RAP AID TO RUSS WHILE THEY SHIP 'POLITICAL' FOOD-Cite Soviet Grain Sent to Bolster French Reds-Washington, D. C.-Senate investigators today sought to learn why the United States should continue to ship free famine relief sugar, meat, fats, and oils to Soviet Russia while Russia makes grain shipments to France for political purposes.

At a meeting of the senate small business committee, Sen. Wherry (R., Neb.) sought an answer to this question from James A. Stillwell, state department adviser on food supplies for war areas, but Stillwell told him that only State Secretary Byrnes or Undersecretary Dean Acheson could answer that.

The senate committee is investigating charges of administration bungling and mismanagement in the world-wide relief food program.

Sen. Wherry indicated by his questioning that he considered our dealings with Russia one of the worst examples of administrative "incompetence" which the committee, headed by Sen. Murray (D., Mont.), has been asked to investigate.

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From Chicago Journal of Commerce, June 6 -

BUREAUCRATIC CONFUSION-Editorial-Businessmen who try to operate under the flood of regulations flowing from Washington find the task even more difficult than it should because the men who issue the orders have a lack of understanding of how business operates.

This ignorance, and the apparent failure to comprehend the effect which far-reaching regulations will have, results in confusion and complications right down the line of those who have to comply with the orders.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, June 12 -

SENATE CUTS MORE FROM OPA POWERS-Washington-The Senate agreed today to go a step further than its Banking and Currency Committee had ventured in writing rules for the mandatory removal of price ceilings from commodities when supply should equal the demand.

Getting down to business on the price control extension bill on the first day of floor consideration and with a minimum of speech making, it approved an amendment to the committee's bill stipulating a balance of supply and demand as the only criterion for compulsory removal of ceilings from any item except rents and lumber.

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WOMEN RECRUITS OFF TO PACK BERRY CROP-The first contingent of women recruited this year for the Crop Corps by the United States Employment Service left yesterday morning from Grand Central Terminal headed for Tivoli, N.Y., near Poughkeepsie, where they will help pick this year's strawberry crop, estimated as the largest one in New York State since 1935.

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BLAMES OPA POLICIES FOR COTTON MILL LAG-Office of Price Administration failure to make prompt textile price adjustments to compensate for cost increases has been the principal deterrent in mill production of cotton textiles to meet heavy consumer demand, it was charged yesterday by W. Ray Bell, president of the Association of Cotton Textile Merchants of New York.

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CANNING CENTER OPENS-The 1946 season of the New York Red Cross Canning Center, was opened yesterday by eight women forming the summer's first class of housewives to avail themselves of the chapter's equipment and instruction, both of which are provided without charge.

"The purpose of this course is to encourage use of the surplus and available supply to be safely canned for future consumption while other food staples are being sent to people facing famine abroad," said Miss Grace R. O'Keefe, nutrition director of the New York Chapter.

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BUTTER NOW MORE SCARCE-Butter, so scarce in local shops as to be almost undiscoverable, became even more difficult to obtain yesterday as creameries instructed wholesalers and jobbers not to sell butter already shipped but to hold it until the Government's announced price increase of 10 cents a pound is officially put into effect.

(Turn to page 2 for other items
in today's N.Y. Times.)

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From The New York Times, June 12 -

CITY ACTS TO ASSURE STEADY MILK SUPPLY-The City Board of Health gave the Health Commissioner broad powers yesterday, in an amendment to the municipal Sanitary Code, to regulate the flow of milk and milk products into New York City so as to assure an "adequate, safe milk supply here at all times."

The new regulation, which will become effective July 1, enacts into law emergency rulings that have been repeated by the Board of Health every month since its original "declaration of imminent peril" to New York's milk supply last Nov. 2. The milk supply is now adequate, the board asserted, but the law was a hedge against future emergencies.

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TO STUDY FAMINE IN INDIA-Miss Pearl Buck, chairman of the India Famine Emergency Committee, announced yesterday that an American famine mission would go to India to study famine conditions. The party will leave New York by plane next Monday.

Members of the mission include Dr. Theodore W. Schultz, University of Chicago; Miss Lillian Smith, author; Dr. Benjamin E. Mays, president of Morehouse College, Atlanta, Ga.; and Joseph Willen, executive vice president, Federal of Jewish Philanthropies of New York. The party will be accompanied by Sidney Hertberg as consultant and Glenn H. Craig as an observer from the United States Department of Agriculture.

"It will be our job, when the mission comes back, to act upon what they report to us," Miss Buck explained.

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AUSTRIAN FOOD RISES: AIR LANES GRANTED-Vienna-Gen. Mark W. Clark announced today an increase in the Austrian food ration and a reduction in occupation costs, and he said that the Russians had granted new straight air lanes over Russian-controlled territory that would "greatly facilitate air communications."

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AUSTRALIAN WHEAT CROP-Canberra-The latest official estimate of the 1945-46 wheat crop is 140,000,000 bushels, which is 20,000,000 bushels below normal and about equal to the average of the seasons of 1939-44.

The new season's wheat was available at the beginning of the year and flour mills have since been working at high pressure. Wheat began going overseas in January and shipments have already reached India.

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HOOVER MOVES ON TO URUGUAY-Buenos Aires-Herbert Hoover, head of the Famine Emergency Committee, departed today for Uruguay and Brazil, continuing his special mission of surveying the possibilities of increasing South America's contribution to solve the world's food problem. William Jasspon, head of the fats and oils section of the Combined Food Board, who came to Argentina early in March to negotiate a new vegetable oils contract with this country, left with the Hoover mission.

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From the New York Journal of Commerce, June 12 -

JUNE 1 COTTON PLANTINGS RISE TO TOTAL OF 19,214,000 ACRES - With substantially all cotton acreages planted and replanted, the June 1 survey of Journal of Commerce correspondents indicated a total of 19,214,000 acres in the staple. This was an increase of 11.4 per cent above the actual planted acreage in the 1945-46 crop and a rise of 556,000 acres over The Journal of Commerce estimate of May 1.

The major factors in the increase were the return of good weather and the continued rise in cotton prices. Farmers regained the optimism lost in the flooding rains of May. Despite the shortage of high quality seed, large areas were replanted and some acreage extended.

Outstanding feature of the survey was the revision of acreage estimates in Missouri, where an analysis showed an increase of 50 per cent above last season's acreage. This and several other major cotton States were subjected to a special study. It was noted that the unfavorable weather had not affected the stands in Mississippi, Arkansas, Alabama and Texas as seriously as had been previously reported. With hot dry weather where it was needed, the cotton planter was recovering lost ground.

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COTTON PRICES DROP AS LONGS REALIZE - Realizing by Southern interests forced prices down as much as \$2.55 a bale in a fluctuating session of the New York Cotton Exchange yesterday. The closing range was off 33 to 56 points.

A major outside factor before the close was the Presidential message accompanying the Case bill veto. The President urged extension of strict price controls. The veto itself had no effect on the cotton futures market...

The market opened off 2 to 6 points. This was considered a corrective adjustment after the new 22-year highs reached on Monday. However, initial transactions were at highs for the day. Profit taking, originating in New Orleans began early and continued, although irregularly, throughout the session.....

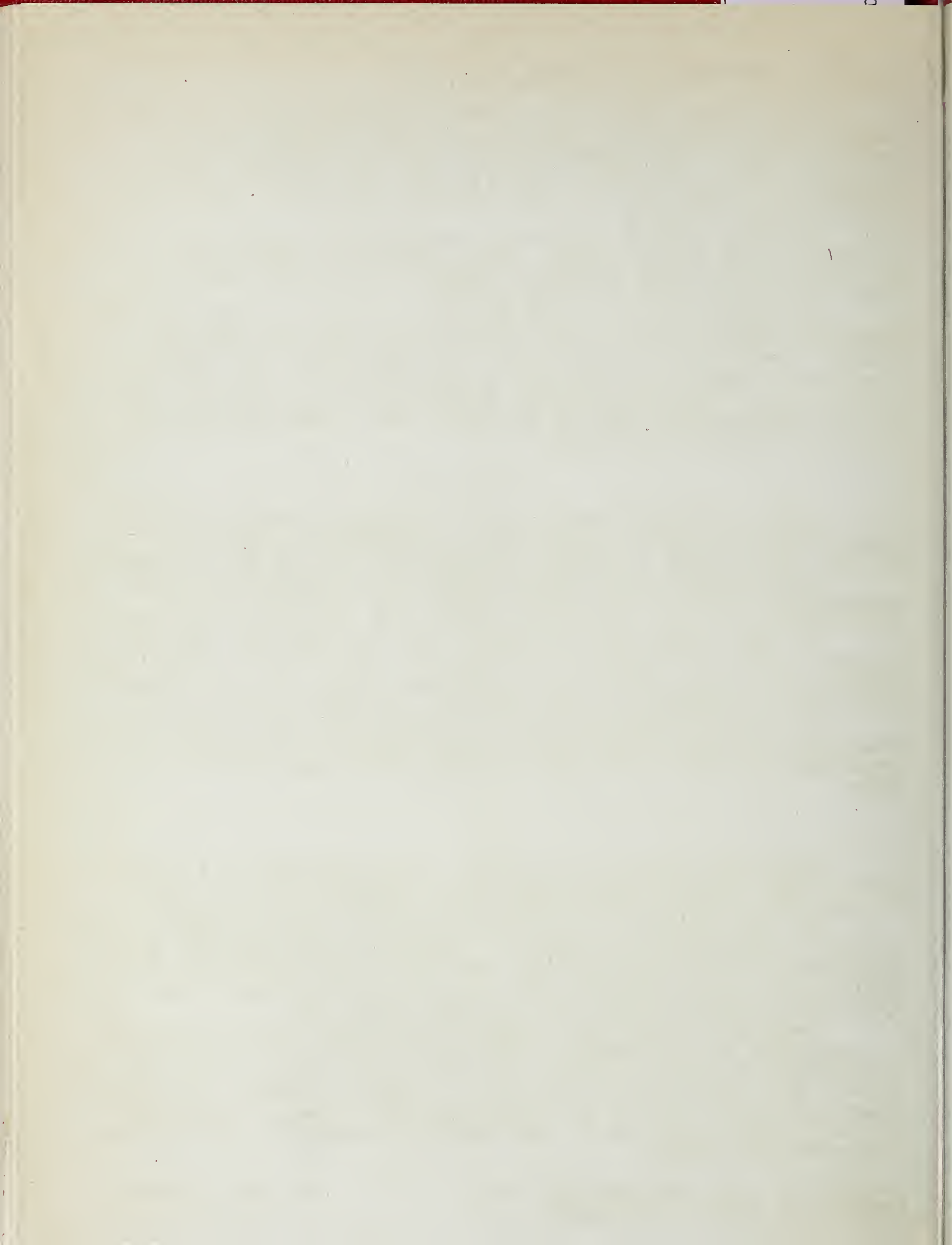
The weather continued favorable in the cotton belt for the fifth day in a row. Today, the weekly weather report and crop bulletin will be issued and expectations are that good to excellent progress will be reported in the new crop.

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HIGH MARGIN LEVEL MAY STAY IN COTTON - Margin requirements on the American cotton futures exchanges will not necessarily be changed at once as a result of the prospective enactment of OPA legislation now on the floor of the Senate.

The bill, reported out of the Senate Banking and Currency Committee last week, has been interpreted to prohibit the issuance of orders increasing margin requirements in cotton futures trading. Such an order was issued by the OPA on April 3, 1946, may not necessarily be voted by the executive boards of the United States exchanges as soon as the amendment becomes law.

Conditions prevailing in the cotton futures markets in the United States were considered such that immediate return to the previous margin level may not be necessary. One of the two major factors was that the volume of transactions affected by the present high levels are now at a seasonal low point. The lowering of margin requirements before the new cotton crop begins to move, in August, would not, it was believed, increase the total volume of trading on the three exchanges by any substantial amount.



From The New York Herald Tribune, June 11, 1946 -

FEED SHORTAGE CUTS OUTPUT OF DUCK BREEDERS-Duck breeders are cutting production because of the lack of feed, it was reported yesterday.

The feed situation is becoming so serious that most of the ninety duck farmers in Suffolk County, who supply half of the nation, are either shipping their breeding ducks to market or selling duck eggs instead of permitting them to hatch, C. H. Wilcox of Center Moriches, L. I., president of the Long Island Duck Growers' Association, said.

If the feed situation does not improve, he said, farmers may be forced to slaughter most of their stock.

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From The Kansas City Times, June 7 -

MORE WHEAT OUT-While elevator workmen still were loading the 500,000 bushels of wheat purchased from the Commodity Credit Corporation here yesterday, word was received in Kansas City grain circles that another order for a million bushels for Mexican shipment was being considered in Washington.

The sale of wheat to Mexico has aroused protests from the Kansas City Board of Trade, the Associated Millers of Kansas Wheat and the AFL Grain Processors union. The grain trade has contended that so long as relief shipments to famine areas keep Kansas City mills from obtaining grain to grind flour for domestic use no grain should be shipped to Mexico, which is not regarded as a famine area.

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From The Boston Herald, June 8 -

FOOD BUNGLING-Editorial-The bread shortage is nothing. Nothing that is, compared to the food crisis which is building up in the nation, partly because ineffectual federal agencies are working at cross-purposes, and partly because Congress lacks the proper leadership to legislate wisely.

We can do without bread very nicely in the interest of the 800,000,000 hungry people in the world. But we are coming up against an agricultural muddle which will affect far more than bread and leave us unable to meet our foreign relief program.

America cannot without serious consequences ship out of the country a third of the nation's wheat production, plus other food stuffs, and still raise more than the normal number of meat animals. But this is just what we are doing. We are feeding today, for instance, over 10,000,000 more beef cattle than in any of the ten years before the war. The grain that is going into meat (80% of which now passes through the black market) is not going abroad or into bread or to the dairy cattle and the hens of the Northeast and the Northwest.

That means few eggs and another black market, a serious milk shortage, and a general disorganizations of food supplies that can be an actual peril to the nation's health.

What is being done to avert this? Secretary Anderson has virtually confessed his inability to deal with the collapse in normal meat marketing. He has also been unable to lure very much grain or meat off the midwest farms. And the Senate banking committee has reported an OPA bill which will just about put the finishing touches on the impending disaster.

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From The Northwestern Miller - June -

FOREIGN MILLS BUSY; U.S. MILLS IDLING-Cabled information to The Northwestern Miller from London, Buenos Aires and Sydney is to the effect that the flour milling industries of Britain and Australia are operating at full capacity, as is the case in Canada, and Argentine mills at 70% of capacity.

Of all the great wheat-producing and flour-manufacturing countries of the world, the United States is the only one that has so mismanaged and misused its wheat resources, in filling domestic and foreign relief obligations, as to render its flour milling industry largely inactive. The rate of capacity operated in United States mills last week was 38%.

Even the introduction of 90% extraction on May 13 and the order for a smaller standard loaf appears only slightly to have reduced the rate of mill operation in Britain, which, through all the war years and in the entire period since V-E Day, has been in the greatest possible volume, often technically more than 100% of capacity.

So far as The Northwestern Miller can learn, no milling time has been lost in the western provinces of Canada for lack of wheat, and it is anticipated that full running time can be maintained from farm stocks during the summer months.

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SHIPPING WHEAT ABROAD AS FLOUR (From a Bulletin of the Millers National Federation)-The press has carried several Washington dispatches in the past two weeks to the effect that a large part of the 250,000,000 bush of wheat to be set aside from the 1946 crop for foreign relief will be shipped as flour. Several government officials, including the Secretary of Agriculture, have been quoted to this general effect, and promises have been made rather freely. Millers have been urging this point for a long time, and have lately had the support of mill labor unions which fear that the 85% restriction upon domestic production will work adversely to their constituents. Other factors are the desperate demands by livestock and poultry interests for additional supplies of feed.

Despite these assurances from high quarters, and despite the strong support which has come to the millers' position for wheat to be largely exported as flour, the industry should not take it for granted that the job is done. Most foreign governments prefer to import wheat rather than flour, partly because of pressure from their own millers and for other reasons; and our State Department has not always been able to see that it makes any great difference whether wheat goes out as wheat or flour. Powerful grain exporting interests never seem to let an opportunity pass to promote their views, and there are at least a few people in the Department of Agriculture who prefer to see wheat exported rather than flour--probably for the reason that wheat transactions are much simpler than flour deals. Millers who may think it is a dead cinch for most of the wheat to be exported as flour this year are invited to consider these adverse factors.

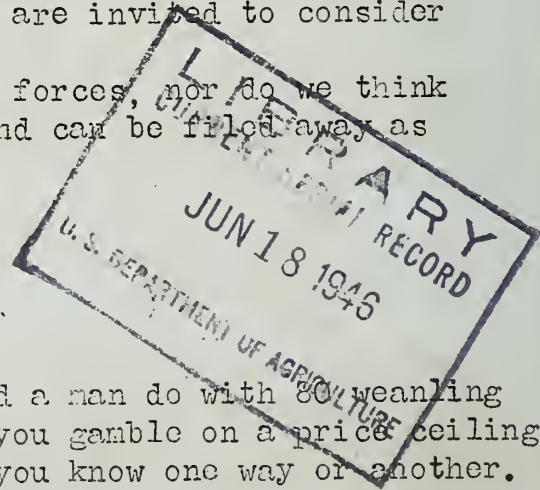
We do not, however, underestimate the opposing forces, nor do we think that any miller should think that the job is done and can be filed away as finished business.

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From Prairie Farmer, June 8 -

IF YOU'RE GOING TO GAMBLE-Editorial-What should a man do with 80 weanling pigs see them or chance a raise in hog prices? If you gamble on a price ceiling rise on hogs, it will probably be late fall before you know one way or another. We figure the government is going to wait to see what this-year's corn crop will be before making any change in hog ceilings.

Farm Digest 1275-46-6



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(For June 13, 1946)

JUN 19 1946

U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

U. S. DEPARTMENT OF AGRICULTURE

(The newspapers and magazines from which agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, June 13 -

ANDERSON URGES AID TO THE HUNGRY-Appealing for continued sacrifices to give new impetus to America's famine relief program, Secretary of Agriculture Clinton P. Anderson warned yesterday that the world food emergency would continue at least until next year's harvests were gathered.

Mr. Anderson spoke at a noon rally under the auspices of the Famine Emergency Committee in City Hall Plaza. The rally preceded the opening today of an intensive, three day, city-wide fund raising campaign to be waged with coin collection boxes by a volunteer army of 15,000 persons. The money will be used by the committee for large-scale wholesale purchases of food for shipment overseas.

Joining Mr. Anderson in his plea for contributions and increased conservation were Mayor O'Dwyer, Borough President Hugo Rogers, Newbold Morris, chairman of the campaign, and Secretary of Commerce Henry Wallace, whose message was read by Mr. Rogers.

Speaking to an audience of 2,000 persons, Mr. Anderson coupled his warning with the gloomy prediction that America faces a serious meat shortage next fall and winter. He examined the prospects of the availability of food in the future and held that he did not know how long beyond a year the world food emergency would continue.

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1941 PROFIT RANGE VOTED BY SENATE INTO THE OPA BILL-Washington-In its first roll-call test on the price control extension bill the Senate approved, 44 to 29, today a formula to outlaw price ceilings which fail to allow pre-war profit margins to manufacturers and processors.

The ineffective efforts of OPA supporters to save the agency's powers from further inroads led to conjecture that they had either given up the fight or were hoping for early action, which would permit a veto by President Truman in time for Congress to pass a revised extension bill before June 30, the present date for expiration of the OPA.

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POULTRY STOCK CUT BY MEAT SHORTAGE-Twenty-six million pounds of poultry, double the prewar average, was in storage yesterday in this city, yet Government officials joined tradesmen in expressing fear of a "shortage" and black marketing was found to be on the increase.

Because of the shortage of meat, New Yorkers in the last four months have chewed down the local holdings of dressed poultry from the record of 59,217,000 pounds to the present storage of 26,217,949 pounds. They are eating twice as much poultry as they did before the war, and are eating it faster than storage holdings can be replenished.

(Turn to page 2 for other items
in today's N.Y. Times.)

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From The New York Times, June 13 -

SEES FOOD RATIONING RESTORED IN AUGUST-Chicago-Retail grocers were warned today that "we are nowhere near the end of acute food shortages" and that food rationing, including bread, may be restored in August. The warning was issued by Tyre Taylor, general counsel for the National Association of Retail Grocers, in a letter to members of the group.

Mr. Taylor said that Washington information indicated that large scale food shipments abroad might continue "for an indefinite period" and that Herbert Morrison, Lord President of the British Council, had planned to visit Washington to aid in reinstating food rationing.

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OATS FUTURES GAIN IN CHICAGO MARKET-Chicago-Oats futures moved in a range of about 1 cent a bushel today, with a fairly active trade at times on the Board of Trade. Early in the session commission and local buying lifted prices sharply, with most deliveries reaching the ceiling level, but offerings increased and the gain was lost. Later the market was irregular and closed $3/8$ to $5/8$ cent higher. Minneapolis closed at the ceiling level bid, with prices up $1/4$ to $3/4$ cent.

Other grains were unchanged, with few trades in any delivery. At Winnipeg rye prices advanced $4\frac{1}{2}$ to 5 cents a bushel, current prices in the Canadian market making the ceiling prices at Chicago look extremely cheap. The Canadian outlook is for another small crop, which means that the North American supply of rye will be the smallest in many years.

Flour production increased last week, partly because of "loans" from Government owned stocks but the flour is hard to buy and no immediate relief is indicated in this respect.

Cash markets continue strong in all grains.

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HOOVER IS ATTACKED BY BRAZILIAN LEFTISTS-Rio De Janeiro-The arrival of Herbert Hoover here today was greeted by the Communist newspaper Tribuna Popular with the comment that he is a representative of "Yankee imperialism." The editorial added:

"In his country Hoover is the head of the fifth column and backed Hitler in the last war."

Left-wing elements here take the stand that Mr. Hoover's travels throughout discredit the communists and steal food which is needed by the people. Although these arguments seem childish, they are effective with certain classes.

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ALLIED CONTROL COUNCIL EXTENDS ZONES FOR JAPANESE FISHING TO COMBAT HUNGER-Tokyo-Moved by statements by George Acheson Jr., its chairman, that famine conditions were ruling in Japan and that the fishing grounds at present permitted were not yielding an adequate catch, the Allied Control Council for Japan agreed "in principle and without establishing a precedent" to extend the fishing areas.

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From the New York Wall Street Journal, June 13 -

CAKE BAKING BOOMS as bakers slash bread output because of scarce flour. With their sales volume sharply lowered by the flour dearth, bakers have to count on cake for profit....

Every barrel of flour going into bread brings only \$20 to \$25 in sales. On a barrel of flour used in cakes the sales figure is \$175 to \$200. While cake and bread call for two different types of flour, bakers admit that bread flour could be stretched by mixing the cake type with it. But if cake production were entirely eliminated, says one big baker, he could thereby increase his bread output by only 5% to 10%.

In Rochester, N. Y., a big chain grocery operator who sold all available bread by ten o'clock one morning had so much "sweet goods" on hand at 5:30 in the afternoon that he had to cut prices 33% to sell it.

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U.S. RAYON EXPORTS AT RECORD LEVEL - Record first quarter rayon exports were at an annual rate of \$114 million, or $7\frac{1}{2}$ times the 1939 total, according to a study by Rayon Organon, trade association publication. Dollar value in 1945 was about \$71 million.

"How much of this expansion may be attributed to the continued absence of Germany, Japan and Italy from the world rayon trade picture and how much represents other factors such as a genuinely improved competitive position, higher prices realizable in the export trade, or the foreign consumers' increased appreciation of quality vs. price, cannot readily be ascertained at this time," the publication reported.

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STEEL DRUMS FOR CORN SYRUP EXPORTS, Washington - The Civilian Production Administration had directed manufacturers of steel drums to make and ship 110,000 during June and July for the purpose of sending corn syrup to Europe. Manufacturers of 16 and 18 gauge steel drums will be given preference for materials over all except AAA-rated orders.

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OPA ALLOWS ONE CENT RISE IN PRICE OF BREAD, Washington -The increase is the third action bringing price relief to bakers, O.P.A. said. The increase in the extraction rate of flour from 72% to 80% reduced the white flour content and the 10% reduction in the size of loaves without an accompanying price decrease had favorable effects upon the bakers' price situation for bread, officials say.

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AMERICAN CAN TO PRODUCE NEW FROZEN FOOD CONTAINER - American Can Co. will begin production this month on a new container which will permit high speed filling and closing operations for frozen food packers. More than 50 million of the new containers are expected to be produced at three company plants this year, according to W. C. Stolk, vice president.

Since this number is well below anticipated demand, first deliveries will be allotted with packers of frozen fruits and vegetables receiving first consideration. American expects that more than 30 packers will be using the new product by the year-end.

(Turn to page 4 for other items from today's N. Y. Wall Street Journal.) - - -

From the New York Wall Street Journal, June 13 (Cont.) -

LUCKY STRIKES REMAIN LARGEST SELLER - Lucky Strike cigarettes, manufactured by the American Tobacco Co., remain the largest selling brand in the country. Camels, principal product of the R. J. Reynolds Tobacco Co., are running a close second.

This is shown in a spot check by the Wall Street Journal in a dozen major marketing areas. The spot check indicated that Lucky Strikes accounted for 27.8% of all cigarette sales during May, as compared with 27.3% for April. The Camel proportion rose to 25.1% from 22.5%. It indicated other results as follows: Chesterfields 20.4% against 20.9%; Philip Morris 10.3% against 10.4%; Old Gold 7.9% against 7.8% and other brands as a group 8.5% against 11.1%.

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CUDAHY PACKING CO. - Recent activity and new high prices for Cudahy Packing Co.'s common shares were accompanied by rumors of a stock split. A factor behind the stocks recent activity through sales of the major packers have been running behind a year ago, it is understood that profits generally compare favorably. This is of special benefit to Cudahy as it has only 467,489 shares of common underlying a long term debt of \$16.5 million and 100,000 shares of 4½% preferred stock....As a result any increase in earnings after taxes is quickly reflected in net income per common share..... Another factor...has been the possibility that Congress may eliminate price controls on meat and dairy products, which would be of material benefit to the operations of the firm.

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From the New York Journal of Commerce, June 13 -

COTTON PRICES UP SHARPLY - Cotton futures fluctuated in a wide range as profit-taking and trade buying alternately dominated trading on the New York Cotton Exchange yesterday. The final range, however, was up 31 to 38 points.

The weight of sentiment was inflationary, based mainly on Washington reports of OPA legislation and on the weekly weather report from the cotton belt. To a lesser extent, price movements were reactions from the sharp decline recorded on Tuesday.

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WHEAT SHIPMENTS RAPPED BY WHERRY, Washington - Senator Wherry (Rep., Neb.) said today that people are "beginning to revolt" over the wheat situation.

Told that a new allocation of 1,200,000 bushels of wheat had been made for shipment to Mexico, the Senator asserted, "It is inconceivable that we can export wheat to Mexico in light of the present wheat situation in this country."

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BUTTER PRODUCTION DOWN 34 PER CENT - Still no definite word from Washington as to the promised increase in ceiling prices on butter, cheese and case evaporated. Meanwhile, offerings of both butter and American cheese have virtually been cut off entirely, especially in big terminal markets as makers and dealers await developments. Some of the big distributing organizations have stopped all deliveries. Production of both butter and cheese still is coming up at an extremely slow rate and the weekly loss from last year is averaging 34 per cent and 18 per cent, respectively, for the past two weeks.

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From Butchers' Advocate, June 5 -

CONTROLS SHORTEN MEAT SUPPLY-By H. M. Conway-Self-perpetuating government controls and unforeseen circumstances are creating a potentially more acute meat shortage than that which now exists. The real significance of this situation will become more apparent within the next six months and, for the next two or three years, will probably be reflected in a continued wide gap between supply and demand for meat. During that period total meat production will be more on a pre-war basis and, in all probability, will decrease as much or more than the reduction in consumptive demand. Current and prospective conditions are such as to cause a rapid shift of the American diet from a meat to a cereal basis. At the same time crop production will be maintained on a more profitable basis than live stock production and feeding.

Under these conditions beef production would be forced more to a grass basis and the present liquidation of hogs and sheep would be further accelerated. This means a generally maladjusted agriculture which could become quite serious when real post-war adjustments get under way. A continuation of this lack of a free play of economic forces during the next few years will be disturbing both to stockmen and consumers.

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From The Kansas City Star, June 8 -

WHEAT FARMERS ARE WARY-Editorial-The plaint against the government's wheat requisitioning program which is beginning to arise in the Southwest as the harvest gets under way is an expression of a lack of faith in the government's price control program.

Farmers are not complaining about present prices for wheat, but they do not like to have the government, by force, close the door to them on the opportunity to cash in on higher prices should they be offered later in the year.

The government says the present price schedule can be expected to continue without change at least through June 30, 1947, therefore it should make no difference whether a farmer markets his wheat today, next month or next winter.

Farmers know, however, that the price line has been broken before. After promises early last winter that ceilings would not be hiked, there followed this spring a series of moves designed to bring wheat to market, including price increases. First there was the "certificate plan" by which farmers were assured that on wheat sold to the Commodity Credit corporation for immediate delivery they would receive the market price on any later date they specified before March 31, 1947. Next the Department of Agriculture announced a bonus of 30 cents a bushel would be paid for wheat delivered before May 25. This was followed by an increase of 15 cents a bushel in the ceiling price of wheat.

All this was done, of course, to spur the movement of wheat to market so that the United States could fulfill its food commitments to other nations.

Wheat did go to market, most of it moving out of storage in the Northwest. Southwest farmers had marketed virtually all their wheat before the bonus and ceiling increases went into effect. Therefore they feel they were "shortchanged" by the government because today it is the government, not supply and demand alone, which fixes grain prices--and the farmer's income.

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From The Creamery Journal, June, 1946 -

EXPECT MILK SHORTAGES-If there is more dependability in the opinion of a group than of an individual the prediction that the eastern seaboard country will experience a serious milk shortage next fall and winter can be taken in serious vein by residents of that section of the country.

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From The Milwaukee Journal, June 10 -

PRICE CONTROL OR CHAOS-Editorial-The calamity that confronts the American people if, in extending OPA, congress takes away its controls over some of the major necessities like meat, poultry and dairy products, is not at all exaggerated in the statement of the four senators who comprise the dissenting minority of the senate banking committee.

The scant benefit that might temporarily be reaped by farm producers could not offset, even in a small way, the harm that would inevitably be done to the nation's economy. Since meat and dairy products are certain to remain in short supply for some time, no matter what the price, competition cannot possibly keep prices within reasonable limits.

Skyrocketing prices of these primary foods would put them beyond the reach of millions in the low and medium income groups. The demand for substitutes would certainly force rapid price increases for other foods. There would be additional temptation for hoarding by consumers. There would be tremendous incentive for dealers, all along the line, to hold their supplies as long as possible to make greater profits on a zooming market.

No one can honestly believe that food prices could go wild without setting off a new inflationary spiral involving prices of all other short necessities, new wage demands, further disastrous production stoppages. It would spell greater disaster to the poor, the frugal, the salaried workers, wage earners and all those on fixed income. Despite the fumbling and the bumbling of OPA, and the mistakes that may still be made if effective price control is continued, the great majority of American people just simply cannot risk the staggering costs of abruptly and immediately removing, or drastically curtailing, controls over the costs of essentials of life. That would be to invite economic chaos for the nation--nothing less.

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From The Weekly Kansas City Star, June 5 -

FEDERAL AID FOR THE HANDICAPPED ON FARMS PLANNED-Under a co-operative agreement the federal office of vocational rehabilitation and the Federal Security agency announce a pooling of their facilities to help physically and mentally handicapped rural residents to overcome their disabilities and engage in agriculture.

Under the agreement rural residents with job handicaps resulting from illness, accidents or other causes may obtain medical or surgical service to remove or correct their impairments. They will receive advice and training on how to make a living in agriculture and receive financial loans for livestock, seed, equipment or whatever else they need for farming on a sound, self-supporting basis.

The office of vocational rehabilitation and Federal Security agency list as typical handicaps hernia, blindness or defective vision, deafness or impaired hearing, tuberculosis, heart trouble, varicose veins, loss of hands, feet, arms or legs.

A physically or mentally handicapped rural resident must be of working age to be eligible for vocational rehabilitation services.

Evidence that poor health or disability was keeping many farms from doing a good day's work came in a recent FSA survey of 11,497 persons in twenty-one typical counties of seventeen states.

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JUN 21 1946

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

U. S. DEPARTMENT OF AGRICULTURE

From The New York Times, June 14 -

SENATE VOTES OPA BILL, 53-11; WOULD END CURBS ON MEAT, EGGS, BUTTER, MILK, CHICKENS-Washington-The Senate passed the price control extension bill tonight 53 to 11, after further amending it to curtail the powers of the Office of Price Administration.

In a ten-hour session tobacco and petroleum, including gasoline and cigarettes, were added to the commodities from which price controls would have to be removed June 30, and another provision was written into the measure to eliminate entirely the OPA's cost absorptive program.

The final vote sent the bill back to the House for submission to a joint conference committee, upon which opponents of drastic curbs on the price agency's powers pinned hope of modification. For that reason some of them voted for passage.

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RESUME RATIONING, LEHMAN DEMANDS-Charging that the American people are completely confused by conflicting statements from Government officials and conflicting decisions by the Government on the world's food crisis, Herbert H. Lehman, former director of the United Nations Relief and Rehabilitation Administration, called last night for the re-imposition of rationing and for strengthening of other controls to prepare for the needs of the 1946-47 food year.

Mr. Lehman spoke at a mass meeting held by the New York City Consumer Council to promote the council's demand that rationing be restored so that this country can meet its commitments to feed the famished. About 500 persons attended.

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NEW SUGAR STAMP FOR CANNING IS DUE-A new sugar ration stamp, good for five pounds and intended for use only in home canning, will become valid next month, it was made known yesterday by Roy Powell, district sugar rationing officer of the Price Administration.

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WHEAT LENT TO PILLSBURY-Minneapolis-Pillsbury Mills, Inc., reported today that its plant in Buffalo, N.Y. had obtained a loan of about 250,000 bushels of Government wheat for processing into flour to meet urgent needs of public institutions in Boston, Providence and the State of Connecticut.

Pillsbury's Minneapolis mill has received a loan of 30,000 bushels, a two or three day grind of flour for institutions and hardship cases.

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30,000,000 CANS OF FOOD-Thirty million cans of food were contributed during a drive last month sponsored by War Relief Services-National Catholic Welfare Conference among 15,000 parishes throughout the country, Edward M. Kinney, national campaign manager for the campaign, announced yesterday.

(Turn to page 2 for other items in - - - -
today's N.Y. Times.)

From The New York Times, June 14 -

FAMINE RELIEF DONATIONS PLUNK INTO COIN BOXES-Blue and white coin boxes to catch New Yorkers' contributions for the relief of famine victims abroad were carried through the city's streets yesterday by an estimated 8,000 volunteers as a three-day drive on behalf of the United Nations Relief and Rehabilitation Administration began in all boroughs.

Volunteer solicitors from organizations such as the American Legion and the American Women's Voluntary Services will continue on the job today and tomorrow, Mr. Morris said.

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FRAUD IN DIVERSION OF RAYON EXPOSED-The diversion of millions of yards of rayon piece-goods from the American domestic market to Cuban merchants over a period of eighteen months was disclosed yesterday by the Federal Bureau of Investigation, with the arrest of Emanuel Goldberger, 43 years old, former chief licensing officer for the Foreign Economic Administration, Washington, D.C.

According to E. E. Conroy, special agent in charge of the FBI here, Goldberger is charged with having received bribes estimated at \$50,000 for approving export licenses permitting the Delta Export Service, 4091 Broadway, to export rayon fabric to Cuba.

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WHITE RUSSIA GETS SEEDS-Washington-Enough seed to plant 250,000 acres of vegetables and 800,000 acres of grasses and clover has been delivered to White Russia by the United States Relief and Rehabilitation Administration, F. H. LaGuardia, director general, reported today.

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LUMBER STOPPAGE CALLED HERE TODAY-A two-day shut down of the lumber distribution industry in this region was scheduled to start today in protest against the Office of Price Administration regulations and their enforcement in the criminal courts. The OPA recently started a nation-wide drive against the black market in lumber, especially checking distributors' invoices.

Joseph Dramer, secretary and general counsel of the Greater New York Lumber Industries, Inc., an association which he said included 300 of the 350 dealers in the city, predicted yesterday that the shut down called by his organization would be 90 percent effective.

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RESTAURANTS GET PRICE RELAXATION-Washington-The Office of Price Administration opened the way today for higher restaurant prices.

The OPA issued an order which simply allows new menu prices to reflect the full amount of any higher costs stemming from the removal of price ceilings on food items.

The order is effective at once, but it will have little immediate effect on restaurant prices because there are not many food items exempt from price control at this time.

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From the New York Wall Street Journal, June 14 -

MEAT INSTITUTE SAYS ACTUAL PRICES RANGE 30% ABOVE CEILINGS, Chicago - The American Meat Institute said in a statement that O.P.A. meat ceiling prices are "fictional" and that "factual" prices determined by "reliable independent shopping surveys" run about 30%.

The Institute said the surveys were made of butcher shops in 11 cities by the C. C. Chappelle Co. and the Statistical Research Co. and showed these partial results:

Beef round steaks, with an O.P.A. ceiling price of 40.8 cents a pound, received 53.5 cents a pound average. Rib roasts, ceilinged at 32.6, received 42.5 and chuck roasts having a ceiling of 30.1 cents sold at 39.1 as an "actual" price.

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FRESH PEAS, 11 OTHER ITEMS FREED FROM PRICE CONTROL, Washington - The Office of Price Administration has removed fresh green peas from price control since they already are selling below ceilings. At the same time, 10 other food products were exempted....Agricultural talc, a soil conditioner containing magnesium, also was exempted. Smoked poultry, cooked poultry and canned or frozen poultry were suspended from price control indefinitely.

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SEN. BANKHEAD'S DEATH LEAVES COTTON BLOC WITHOUT OFFICIAL CHIEF, Washington - The death of Sen. John H. Bankhead (D., Ala.) leaves the Congressional cotton bloc without recognized leadership. Other members of Congress are identified with some one or other phase of the cotton industry, but none has demonstrated Sen. Bankhead's ability to bring conflicting interests together and reconcile their differences.

Commenting on the blow to the cotton industry, spokesmen of the National Cotton Council, a trade organization made up of representatives of all segments of the industry, said that group "feels the loss of one of the greatest leaders the cotton industry ever had in the death of Sen. Bankhead."

Observers think that while the race for the leadership of the cotton group in Congress is an open contest, Sens. Russell and Eastland are out in front. However, it may be months or even years before any of the contestants wins the unofficial title, probably only after many legislative battles over cotton.

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CHICAGO BOARD OF TRADE CALLS FREE MARKET IMPOSSIBLE DUE TO WORLD SHORTAGE, Chicago - The Chicago Board of Trade yesterday in a surprise move stopped all trading in wheat and rye contracts, in July and September barley.

Secretary of the exchange, William B. Bosworth, announced that following a special meeting, directors ruled that it was impossible to continue a free and orderly market, because of an acute world food shortage expected to continue throughout 1946.

This will necessitate the continued export from the United States of whole grains and grain products in such large quantities as to leave an insufficient quantity to supply an open market, officials said.

The board of directors said their action was taken "in the national public interest" under a rule giving them authority to stop trading in any future contract "by reason of emergency or otherwise."

(Turn to page 4 for other items from today's N. Y. Wall Street Journal.) - - -

From the New York Wall Street Journal, June 14 (Cont.) -

CORN PRODUCTS - New products now under development by Corn Products Refining Co. are likely to produce within 15 years income equal to that now obtained from all the company's present lines, in the opinion of a company executive. The new products looked to for such earnings fall into two general groups: Products based on zein, the protein in corn, and chemicals derived from corn-starch. Zein, a plastic material, has a wide variety of applications, including printing inks, coatings for paper and other materials, molded plastics products, fibres, and as a substitute for shellac. One of the most promising applications is in printing inks, to which zein gives greater covering power..... Meanwhile, corn-starch is now looked upon as a basic source of chemicals similar to coal and petroleum. It is the intention of Corn Products to pioneer in this new field of chemicals from agriculture.

- - -

FAJARDO SUGAR CO. SAYS FAIR PROFIT IMPOSSIBLE WITHOUT RISE IN PRICES - Until prices of sugar are substantially raised, sugar cannot be produced in Puerto Rico at a fair profit and the Fajardo Sugar Co. of Porto Rico will be forced to conserve its cash.

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SHORTAGE OF CORN THREATENS TO CLOSE REFINING INDUSTRY - The corn refining industry is threatened with a complete shutdown within the next two or three weeks because of a shortage of corn.

Three companies already have suspended operations for the domestic trade they're grinding corn for U.S.R.R.A. and most other refiners are scraping the bottoms of their supply bins. The three companies which have halted domestic operations are Anheuser-Busch, Inc., Union Starch & Refining Co., and National Starch Products.

Representatives of the industry are meeting with Government officials in Washington in an effort to get relief.

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From the New York Journal of Commerce, June 14 -

THE GRAIN FUTURES TRADING BAN- Editorial - The decision of the Chicago Board of Trade to end futures trading in grain contracts stems basically from growing Government interference with the marketing of grains. All through the war, despite price and other controls, the Chicago Board of Trade and the other grain exchanges gallantly struggled to keep their facilities in operation, so as to serve the hedging requirements of those who depend upon the futures exchanges to protect themselves from loss. But the diversion of large quantities of grain from the domestic market to relieve the critical world food shortage was the last straw that broke the camel's back, forcing the suspension of trading in these contracts by the exchanges.....

However potent the reasons advanced by the Chicago Board of Trade for its latest move, there can be no question that the cause of free commodity markets has suffered a setback in consequence. One strong argument for the existence of futures exchanges is that they provide a hedging medium under all conditions, abnormal as well as normal.... We must now wait for the passing of the famine emergency and abatement of Government controls over grains before these valuable facilities for providing protection against adverse price changes to all engaged in the trade will once again be available.

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From Watertown Daily Times, June 8 -

ANGRY DAIRYMEN MIGHT TURN TO BLACK MARKET-New York-Dairy farmers in New York state "are so angry" over grain, labor and machinery parts shortages that they might become receptive to high black market prices and sell their cows for slaughter, says an upstate farmer.

The farmer, Frank Dunning of Copake, made his statement yesterday after the last scheduled hearing before the New York state temporary commission, a 17-member body named by Gov. Thomas E. Dewey and the legislature to inquire into farm conditions and to determine whether a formal investigation of the milk price "spread" should be held.

"The temper of the farmers is such that many of them are ready to sell their cows down the river to the butchers," Dunning said. "There may not be any milk this fall."

Earlier Dunning, who said he operated five farms and a farm equipment company, and several other farmers told the commission that while they did not oppose a formal legislative investigation into the spread of milk they doubted that it would do much good.

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From The Christian Science Monitor, June 12 -

FOOD HELD BY NIPPON LANDLORDS-New light was shed on Japan's food situation by a responsible authority in Gen. Douglas MacArthur's headquarters that one of the biggest factors in Japan's food shortage is the present Government's political impotency in forcing the release of huge hoarded food stocks.

These stocks, according to this source, presently total about 8,300,000 kokus (1,383,000 tons) of rice and other food staples which, if released, would be sufficient to tide the country over until the next harvest.

The largest portion of these hoarded supplies, or about 5,500,000 kokus, is held by the so-called Agricultural Association which is the wartime food agency controlled by big landlords, village chiefs, and local political bosses.

The Government has already purchased this stock, but, in so doing, had to contract not to move it from the warehouses in various prefectures. Another 800,000 kokus have been inspected by Government officials, but not yet purchased.

The Government's inability to force the movement of hoarded stocks to the cities where food shortages are now acute is due to the Government's inability to control the Agricultural Association itself.

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From Detroit Free Press, June 11 -

IT IS HAPPENING HERE-BREAD LINES-Editorial-Traditionally and in fact, America always has been a land of abundance--a land where no one has had to be hungry. Yet we in the United States are being treated to the amazing spectacle of bread lines.

American housewives, in order to feed their children and to pack their husbands' lunch boxes, are forced to stand by the hour in long queues in front of bakery shops and meat markets.

And more often than not, they are turned away empty handed.

This is something that we have read about and seen pictures of in Europe and Asia. It is something that could not happen here. Yet it is happening--happening in every city and every neighborhood across the land.

And as righteous indignation over this wholly unnecessary state of affairs continues, the question on 140,000,000 American lips is: "WHY?"

The answer is in the fumbling, short-sighted, irresponsible attitude of a Congress and Administration lacking the courage and the intellectual stature to do something about it.

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From San Francisco Chronicle, June 7 -

FOOD FOR HAWAIIANS-Editorial-The maritime unions, preparing to strike on June 15, have offered assurances that relief ships, which presumably would include food ships bound for Hawaii, will be permitted to maintain sailing schedules.

In the case of the half-million Americans who make up the population of Hawaii, the Government should not leave the food supply dependent upon the discretion of the maritime unions.

Separated from the mainland by 2400 miles, Hawaii is in large part dependent upon shipping for her staples, and her standing stocks of meat, vegetables and grains are sufficient for no more than a few weeks, in some cases for only a few days. Under these circumstances, a shipping paralysis could starve Hawaii in short order. And this is a mandatory concern not for a union or group of unions, but for the United States Government.

The Government should take all necessary steps, regardless of the quantity of any given food in the Hawaiian storehouses, to maintain the normal flow of food shipments to the islands. Whatever conditions may be attached to the movement of other kinds of merchandise, it is the Government's prime duty to Hawaiians to assure that no conditions are attached to their right to live.

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From The Commercial Appeal, June 11 -

COTTON IS BEING HELD FOR ADVANCING PRICES-The hold-for-higher-prices bug seems to have bitten Front Street over the week end. The rapid rise of the futures market on Friday and Saturday, followed by Monday's runaway race, appears to have brought a general conclusion that it is better to wait for the eventual higher prices than sell on basis at the present time.

Several factors are involved. There seems no certainty that there will be restrictions on cotton after June 30. The Brazilian cotton prices have advanced to a point where American cotton is selling "under world prices" if the 4-cent subsidy is considered. The demand for cotton is reported gaining daily --and, most important of all, the Government stocks have been transferred to private hands and no longer are a threat of lower prices over the market.

Much of the government cotton was transferred to private hands at prices which permitted the holders to gamble on an advancing market and is unhedged.

It is not that there is no cotton available, but a general belief that it is more advantageous to the holder to wait for higher prices before selling. Transactions for the immediate future may be only the sale of such cotton as has been hedged, but only at a much better basis that prevails at the present time.

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From The Atlanta Constitution, June 7 -

THERE'S FOOD FOR ALL IF SHARED BY ALL-By Ralph T. Jones-Herbert Morrison, leader of the British House of Commons, speaking by radio from Washington on May 15, last, said:

"There is now in existence and coming forward enough bread grain in the world to keep every human being alive. If people die of hunger, it will not be because there is too little food to go around; it will be because we are short, not so much of food as of the will to get the right shares of it into the right mouths at the right time . . . it is a problem of how people will behave about food as producers, as distributors, as transporters and as consumers."

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DAILY FARM NEWS DIGEST
(For June 17, 1946)

U. S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, June 17 -

UPTREND IN PRICES CALLED 'ALARMING'-Washington-A high Government economist commented today on the cost-of-living uptrend scheduled to take another slant upward next week with OPA-granted increases for butter, cheese and coal, and called the situation 'alarming.'

The economist is one whose advice is heard in Administration quarters, but he declined use of his name. His opinion, he said, was based on the quickening pace of the OPA's upward price grants. Government statistics show that prices have been rising 1 per cent a month. This opinion is in conflict with that of OPA officials who say most family budget items are well under control, despite the recent wave of price increases.

Fifty-two price rises were granted by the OPA within two weeks, some on important cost-of-living items like butter and milk.

One OPA official said that the 11-cents-a-pound increase for butter and 6 cents for cheddar cheese becomes effective today.

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BRITAIN AT 'LIMIT' IN WORLD FOOD AID-London-In his first broadcast address as Food Minister, John Strachey served warning on the world tonight on the eve of his departure for food talks in Canada and the United States, that with preparations for "probable" bread rationing, Britain had reached the limit of her help for the starving peoples of the world.

"I say to the whole world," Mr. Strachey stated, "that this country cannot today give a greater proof of its international good faith than by prearranging to ration its own bread."

More than that Britain "cannot do; more we should not be asked to do," he added.

Mr. Strachey chided critics for making invidious comparisons between food standards in the United States and Britain.

"It is rather easy for all of us to start criticizing America just now because she is better fed than we are," he said. "But do we realize that at this moment there are idle flour mills and bread queues in American cities because of the amount of wheat America is striving to send overseas? Surely this effort is something which the Americans have a right to be proud of."

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MILK RATION CUT NEXT WINTER-London-Sir Thomas Baxter, chairman of the Milk Marketing Board, announced today that Britain's milk ration would be cut next winter to $1\frac{1}{2}$ pints a week for each person.

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LARD STILL INACTIVE AT THE CEILING LEVEL-Chicago-No special change occurred in the lard and provisions market last week. In most cases packers are devoting most of their activity to meeting set-aside requirements, and only a few trades in sales of pork fat have been reported recently in the general trade.

(Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, June 17 -

COTTON CONTINUES ITS UPWARD TREND-The general upward trend in the domestic cotton market continued last week, prices pushing to new seasonal highs on the impetus of buying spurred by political developments. Despite sharp declines on two days, active futures on the New York Cotton Exchange at the close of trading on Saturday showed net gains of 8 to 40 points, following advances of 49 to 59 points in the preceding week.

Buying was again stimulated by developments in Washington concerning price control legislation. Additional factors in the advance were expectations of a further improvement in exports of the staple as a result of the extension of credit to an increasing number of foreign countries and the unexpectedly large increase in consumption of all cottons in this country during May, as indicated by the New York Cotton Exchange Service Bureau's estimate issued at mid-week. Also contributing to the advance was the belief that the crop has got off to a poor start owing to cool, wet weather.

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GRAIN TRADE CURBS TO PROTECT SHORTS-Chicago-The action of the governing boards of the leading exchanges in closing out all trades in wheat and rye future deliveries, and also all contracts in July and September corn and barley futures, was the climax of a period covering the last few weeks in which the grain trade has been subjected to more unusual developments than ever before in its history.

The order to cease trading was not unexpected, as many operators for some time have been of the opinion that such action was necessary under existing conditions since all normal trading operations have been made impossible by the ceiling price orders, the scarcity of grain occasioned by the tremendous export shipments and the uncertainty as to what the future holds.

Trading is continued in oats futures, as farm supplies of the grain are supposed to be ample with a big new crop coming on, and also in the deferred corn and barley deliveries.

A big factor in causing the directors of the Board of Trade to reach their decision was the possibility that a removal of ceiling prices and possibly all price controls might result in wild markets in which short sellers would be left defenseless.

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\$630,951 CONTRIBUTED TO FOOD COLLECTION-Cash contributions of \$630,951 have been received by the Emergency Food Collection, representing partial reports made by 570 of the 4,957 local committees participating in the campaign, Secretary of Commerce Henry A. Wallace, national chairman, reported yesterday. The committees reporting also have collected 11,416,608 cans of food with a cash value, packed for shipping, of \$2,145,370, he said.

Beginning today, 25,000 grocery and food stores in New York will serve as collection depots for funds in the drive, which will last through June 30. None of the money collected, it was pointed out, will be used for campaign expenses. These are paid by the United Nations Relief and Rehabilitation Administration, on whose behalf the drive is being conducted.

Department stores and other retail establishments have also set up booths to collect donations and distribute information about the collection and the food conservation program of the Famine Emergency Committee of New York, 150 Broadway.

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From the New York Journal of Commerce, June 17 -

EUROPEAN WHEAT CROP DETERIORATING - Excessive rainfall over Western and Southern Europe recently has been resulting in a lowering of estimates of prospective wheat yields in some countries and it was reported at the week-end that sunny warm weather was urgently needed to stimulate growth and prevent a further decline in prospects.

A private estimate placed the probable wheat outturn in France at only 219,200,000 bushels which contrasted with earlier optimistic predictions of from 260,000,000 to 290,000,000 bushels; last year's indicated very small outturn of 185,000,000 and the 1935-39 average of 289,000,000 bushels.

Deterioration also has occurred in Spain where earlier in the spring it had been predicted that the wheat crop would be the largest since before the civil war, and there was also a tendency to shade estimates of Italian production.

The United Kingdom reported rains at the week-end following a short spell of sunshine which was preceded by a protracted cold rainy period and warm forcing weather is needed there.

Partly offsetting these less favorable developments was confirmation of improved crop prospects in the Soviet Union where timely rains have fallen during recent weeks.

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DAIRY PRICE ORDER DELAYED FURTHER - There are some who now feel that the dairy price increase may be held up, pending final Congressional and Presidential action on the OPA extension bill. Meanwhile, manufacturers and distributors of both butter and cheese are almost universally holding goods up from current sale to await developments, and quantities are at the lowest ebb ever recorded.

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SYNTHETIC TEXTILES GAINING WIDE PLACE IN POSTWAR MARKET - Slowly, but determinedly, the synthetic textile industry's technologists are keeping their prewar promise to give us postwar wonders. Perhaps these miracles in fiber and fabric have not come as rapidly as many had anticipated, but since the cessation of hostilities last August, rayon and nylon have seen their exclusive markets invaded by a host of ambitious youngsters.

It is significant that in the short time that has elapsed since V-J Day, the textile industry and the Federal Trade Commission have seen fit to propose an entirely new category of man-made fibers. These are the proteins, soon to become officially known as Azlon. The commercial leader of these is Aralac, made from casein. In a few months, it is hoped that Soydon, the soybean fiber, will be ready for production.

Meanwhile, the British affiliate of the du Pont company is hard at work on Ardil, its peanut fiber. Coming along with great promise are the seaweed, corn, mineral and rubber yarns, but these are still in the laboratory stage.

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From the New York Wall Street Journal, June 17 -

TOTAL OF FARM WORKERS 4% HIGHER ON JUNE 1 THAN A YEAR EARLIER, Washington - The number of persons working on farms June 1 was 4% greater than a year earlier continuing the trend of the previous 2 months, the Bureau of Agricultural Economics announced. The total, including family and hired workers, was 11,422,000 persons.

(Turn to page 4 for other items from today's N. Y. Wall Street Journal.) - - -

From the New York Wall Street Journal, June 17 (Cont.) -

FARMERS THE WORLD OVER are to be welded into a united international policy front under plans hatched here (London) recently at the first meeting of the International Federation of Agricultural Producers. Headed by hefty James Turner, president of Britain's National Farmers Union, the new organization embraces representatives of leading farm groups in 31 nations, including the United States.

The Federation plans to complete its constitution as a permanent organization at the next meeting sometime within a year. One of its major functions will be to establish working relations with the United Nations Food and Agriculture Organization in order to present its views to the F.A.O. on world food matters. The Federation also will set up an agricultural information service providing latest statistics and technical data.

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WHEAT LOAN PROGRAM FAILS TO EASE FLOUR SHORTAGE, Chicago - Wheat the Government is loaning millers isn't doing much to ease the shortage of flour and bread.

An Illinois miller said he made an application the day after the program was announced (June 3) but "so far we haven't received any. I don't know of a single mill around here that has obtained any either."

Some mills are reluctant to borrow wheat. One miller explained that if he borrowed now, it would simply mean he would have less later.

Trade sources here say that with farmers holding back wheat, with heavy Government buying for export and with continued heavy feeding of wheat to livestock, they doubt flour production over the coming months will reach 60% of last year.

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CORN PRODUCTS PLANT FACES CLOSING, Kansas City - The Corn Products Refining Co. plant here is facing a three-month closing unless corn supplies become available soon, Alvor Hedberg, manager, said.

"There is only enough corn in sight to last us to July 3," he said. Mr. Hedberg estimated the plant would require about 2.4 million bushels of corn to keep it at full production until the new crop is available about October 1.

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LIVESTOCK AND POULTRY FEED INDUSTRY - Firms manufacturing livestock and poultry feed are being hard hit by shortages of ingredients of their products. In May the industry produced about 55% as much as in the like month of 1945; and the June record is even worse. In the face of this declining production, however, demand continues strong for all types of livestock feed. Industry leaders think that for the long pull the record feeding of livestock will continue and that sales will remain above pre-war levels. Feed manufacturers enjoyed excellent business during the war, when the emphasis of Government food programs was on the feeding of poultry and livestock. Flour millers, distilleries, brewers, meat packers and vegetable oil firms all have a big stake in the feed business, either producing mixed feeds themselves or selling feed ingredients. Many firms that made breakfast foods also are interested in livestock feeds.

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From The Manchester Union, June 13 -

N. H. HEN FLOCKS HEAVILY CUT-Durham-A survey of emergency reductions in laying flocks on New Hampshire farms, just completed by the N. H. Extension Service through its county agricultural agents, shows the poultry laying population falling off at an alarming rate.

A reduction of 64 per cent in flock population is indicated by this survey conducted on 179 farms scattered through the state. Forty-five of these farms normally keep large flocks of 3,000 birds or more; 80 were medium-sized farms with from 1,000 to 3,000 birds, and 54 were small flock farms ranging from 400 to 1,000 birds. The figures cover the period Jan. 1, 1946, to June 1, 1946.

The survey also reveals that approximately one half of this total reduction has taken place since May 1. Poultrymen are reported cutting down heavily on their laying flocks in an attempt to keep their replacement chickens growing. But these same 179 farms report they are raising a little less than 80 per cent of the number of pullets which they grew last year.

Director H. B. Stevens today released these summary figures on the survey today. The 179 farms had on hand January 1 a total of 430,000 layers. By June 1 this figure had been cut to 154,582, and the number sold off since May 1 is 145,111.

Those same 179 farms raised in 1945 a total of 690,631 pullets, but this season have reduced this pullet figure to 504,250.

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From San Francisco Chronical, June 10 -

GRAIN BROKERS ATTACKING CO-OPERATIVES-Washington-Another lobbying blitz, directed this time against co-operatives, is deluging Congress with letters.

Aimed at getting crippled tax legislation against co-operatives, the campaign is being waged on a scale which capitol veterans say is seldom encountered.

Focal point of the lobbying-by-mail attack is a report, made in April, by the House Small Business Committee upholding the role of cooperatives in the American economy. Committee investigators said that many of those sending letters against the co-operatives have acknowledged never reading the report.

According to the committee, the campaign is sponsored by the National Tax Equality Association and another group, less influential, which is called the conference of American small business organizations. It is directed specifically against farm co-operatives.

The committee has reported to the House that the attack of the Tax Equality Association, which is reported to be well-financed, is spearheaded by Ben McCabe of Minneapolis, a grain broker.

O. E. M. Keller, described by the committee as a wealthy grain dealer of Toledo, is said to be behind the activities of the Conference of Small Business Organization and is also a director in the Tax Equality Association.

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From The Times-Picayune, June 12-

COMAN IS NAMED FOR CATTLE SHIP-Jackson, Miss., R. M. Coman, Hazlehurst, Copiah county agricultural agent, has been recommended by the executive committee of the statewide drive to raise a shipload of cattle for Greece as supervisor aboard the SS Hattiesburg when it sails from Gulfport.

If he is approved by UERRA, he will be in charge of 30 young Mississippians who are to accompany the relief shipment as attendants. Boys 18 years of age and over are being selected for the six-week trip from counties which meet their quotas in the campaign.

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From The Times-Picayune, June 12 -

COTTON PROCESS HELD KEY FACTOR-Vicksburg, Miss.--Declaring "you could give cotton away and it wouldn't change the price of a cotton garment more than 10 cents," Kemper Bruton of the National Cotton Council outlined a proposed three-point program for research, cheaper production methods and sales planning to cotton producers and Kiwanians at a Kiwanis Club meeting here.

Bruton forecast progress and higher prices for the fiber's immediate future, but said he foresaw a gloomy outlook unless longrange possibilities were backed by sound, workable methods to restore it to its rightful competitive place on the markets of the world and to maintain prominence in the widening domestic fiber circles.

Imperative need of American competition with foreign markets is its ability to discover methods of producing it as cheaply as other countries, especially Brazil, whose cost of production is only 15 cents per pound.

Bruton said that OPA is the main drawback to cotton production. He asserted that textile mills were turning many spindles to fabrics which yield more profit than cotton.

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From The Southern Planter, June, 1946 -

AGRICULTURE'S WAY OUT-Editorial-The future security of this country lies in a closer alliance between the business man and the farmer. This alone can safeguard our form of government and our system of free enterprise. This tie-in is our only hope of survival against the organized labor movement that is swallowing up business and relegating agriculture to a state of peonage.

The interests of agriculture and business are identical. The farmer invests capital in his land, buildings and equipment. He employs labor and pays taxes on his operations. His success is dependent upon management skills. And like the business man, the farmer pays no attention to the hours he works. He stays on the job till the task is done. He takes the lean years with the fat ones, striving always for a higher production per man. Less work for more pay is not in his lexicon. No one guarantees his hourly income or insures him against idleness, illness and the infirmities of age.

The business man, particularly the processor of farm products -- the tobacco manufacturer and merchandizer, the food processor and merchant, the miller, the fabricator and the manufacturer and distributor of farm supplies -- is simply a cog in the total food and fiber production wheel. Each makes a contribution along the assembly line that extends from the farm to the ultimate consumer. Each is dependent upon the other. All have a common interest. Attempts by labor leaders and demagogues to pit one against the other are efforts to destroy our business structure and sabotage our democratic society.

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From Michigan Farmer, June 15 -

ANDERSON'S FRIENDS COME FORWARD-Secretary of Agriculture Clinton P. Anderson has been highly commended by directors of the National Cooperative Milk Producers Federation, who have urged President Truman to give his Cabinet Member "the full support he deserves as head of the Department of Agriculture."

The directors commended Anderson for recommending elimination of subsidies on agricultural commodities and asking that American farmers be given a firm, long-range administrative commitment "upon which they confidently can plan their production programs."

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From the New York Times, June 18 -

HOUSE FAVORS SUGAR ACT-Washington-The House today approved an extension of the sugar quota act for one year from next Dec. 31 after Chairman Flannagan, D., Virginia, of the Agriculture Committee assured Representative Petterson, D., of Florida, that quotas would be suspended for the term of the proposed bill.

Legislation is pending in the Senate to revise the quotas but Mr. Flannagan told the House it will not be possible during this session to agree on a new schedule. Florida representatives want the quota system abandoned so that cane acreage in that State may be expanded. The act limits production of domestic cane and beet producers and imports to certain percentages of the country's estimated consumption.

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BUTTER, CHEDDAR CHEESE PRICES UP-Washington-Retail price increases of 11 cents a pound for butter, 6 cents a pound for cheddar cheese and 1 cent for a 14 $\frac{1}{2}$ -ounce can of evaporated milk were authorized today by the Office of Price Administration.

Increases were also granted at the manufacturing level, effective immediately, with the higher retail prices to go into effect upon the retailer's first purchase from his supplier at the higher price.

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CITY BUTTER SCANT AS CEILING GOES UP-Upon receipt of the long awaited word from Washington, local retailers raised their ceiling prices for butter 11 cents a pound yesterday. The increase was of little more than academic interest here, however, for there was still practically no butter.

Prospects for improved supplies as a result of the Office of Price Administration action were slim, it was agreed. The main reason cited by trade leaders was the possibility that all controls on dairy products may be lifted June 30.

If the provision to this effect, written by the Senate into the bill extending OPA's life, is not cut before the bill becomes law, butter prices may be expected to go well over the 68 cents a pound that is now the highest legal retail ceiling, market analysts noted.

While none wished to be quoted, some observers said that the first spurt after ceilings were removed might bring the wholesale price to 85 cents a pound. With the spread between wholesale and retail charges about 10 per cent the consumer price might thus range around 94 cents a pound.

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COTTON PRICES UP 4 TO 22 POINTS NET-Led by the strength in the July, 1946, position, the cotton futures market on the New York Cotton Exchange closed yesterday 4 to 22 points higher than on the previous day of trading.
(Turn to page 2 for other items in today's N.Y. Times.)

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From The New York Times, June 18 -

TRADING IN GRAINS IS SLACKENING OFF-Chicago-Trading in grain futures on the Board of Trade today was confined to a few transactions in September and November oats at ceiling prices, with no business done in corn or barley. Brokers expressed the belief that little interest would be shown in the markets until new grain starts to move freely, with the possibility that no transactions will be permitted in wheat until the 1947 crop is seeded this fall.

The possibility that more flour will be made available to the domestic trade in the immediate future is seen in a record movement of new winter wheat for this early in the season. Terminal markets and six Southwestern interior points received about 6,000,000 bushels of cash wheat today, compared with 3,200,000 bushels a year ago.

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FOOD FIELD WARNED OF POSSIBLE SLUMP-Shawnee-on-Delaware, Pa.-The grocery industry will suffer a recession unless it expands its current \$20,000,000,000 wartime sales volume, because food prices will inevitably rise as controls are removed, industry leaders asserted here today at the opening sessions of the mid year meeting of the Grocery Manufacturers of America, Inc. About 500 representatives of manufacturing and distributing companies attended.

Striking a more pessimistic note, other speakers in a panel discussion warned against overconfidence that consumers would continue purchasing at the present rate after other goods become available.

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12 MILLION SUITS PRODUCED IN 3 MONTHS BUT RACKS IN SHOPS ARE NEARLY EMPTY-Twelve million men's suits have moved from sewing rooms and warehouses through retail stores in the three months since the Office of Price Administration allowed higher prices, but it is still as difficult to buy a suit as it was in March.

It will be well into 1947, probably not before the fall of the year, before the shortage is ended, according to manufacturers and Government officials, despite the fact that production is currently running ahead of the pre war output.

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YONKERS MEAT BARRED-White Plains, N.Y.-Disapproving the meat inspection work of the Yonkers Health Department, Dr. William A. Holla, Westchester County Health Commissioner, notified Yonkers today that meat approved there would no longer be accepted for sale in the county health district, which does not embrace Yonkers.

The Commissioner said that last week his inspectors intercepted a truck laden with 6,000 pounds of improperly refrigerated meat at Croton-on-Hudson and that after it was embargoed at Mount Vernon, its original destination, it was approved for sale in Yonkers.

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From the New York Wall Street Journal, June 18 -

WINTER WHEAT will top 800 million bushels, private crop experts say. The Government estimated it at 742 million on May 1, then lifted the official sights to 774 million June 1. On-the-spot crop observers who say the official figure is still way too low base their opinion on fine weather and excellent harvest yields to date. The Oklahoma crop, now rolling in, will probably hit 90 million bushels, they say. The Government figured it at 73 million on June 1.

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CUBANS ARE IRKED by Senator O'Mahoney's sugar bill now before Congress. They expanded output sharply to account for about 50% of sugar available to the U. S. during lean war years. They want a substantially bigger chunk of the post-war U. S. market than the pre-war 28.6% given them by the Sugar Act of 1937. The O'Mahoney bill would let the Cubans supply most of the Philippine sugar deficiency until the big Pacific islands get back into production, but after that they would be cut back to a "quota" only 29.2%.

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LINSEED OIL USERS can look for less help from Argentina than has been expected. The U. S. representative who has been in Argentina for months dickering to buy surplus Argentine flaxseed and linseed oil is expected back in Washington this week--empty handed.

When the U. S. started negotiations, the big South American producer had about 40 million bushels of surplus flaxseed. She's believed to have left about 25 million today. How sizable this is can be noted by comparing it to entire U. S. production averaging 21.5 million bushels during the years 1934-1943.

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MINT JULEP DRINKERS and mint gum chewers have a bright season ahead. Peppermint and spearmint plantings this season are seen near 57,000 acres. The ten-year average plantings for this crop is only 41,000 acres.

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BULLIS OF GENERAL MILLS SEES FLOUR EMERGENCY NEAR WORST, Chicago - The short term outlook for flour milling "is certainly not encouraging but there is reason to hope that we are near the darkest point today," Harry A. Bullis, president of General Mills, told bakery managers here at a meeting sponsored by W. E. Long Co.

Mr. Bullis declared that during the past crop year, unsound Government policies encouraged farm feeding of wheat and dissipated the record-breaking crop of 1.4 billion bushels, so that now we are in a position of having to strain our economy in order to meet our overseas relief obligations.

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(Turn to page 4 for other items from today's N. Y. Wall Street Journal.)

Farm Digest 1325-46-3

From the New York Wall Street Journal, June 18 (Cont.) -

SOUTHWEST DROUGHT CONDITIONS - A serious drought continues in the Southwest. The run off of water into Arizona streams was at a low level during May, and in some sections of the state it was the lowest ever recorded. The water content of Lake Mead--the chief source of water for the Federal Government's Boulder Dam hydro-electric project on the Colorado River--fell to 18.7 million acre feet in May. This compared with 19,460,000 acre feet a year ago and with a normal of 27 million acre feet. The water inflow into Lake Mead last month was reduced to 36% of normal. The low level of water in the lake is attributed by the electric utility industry to the high level at which Boulder Dam was operating during the war.

An even lower water level at Lake Mead is indicated by the drying up of tributary streams leading into the lake. The Colorado River, whose normal annual inflow into the lake is 16 million acre feet, was only 46% of normal in May, and is destined to fall further because its tributary streams in southern Utah at last reports were no more than 37% to 40% of normal. In fact, the U. S. Reclamation Service recently estimated that for all 1946 the Colorado will account for only about 7 million acre feet of water. An even worse condition exists on the San Juan River; which usually accounts for 2 million acre feet of water a year in Lake Mead. This stream was at only 29% of normal level in May. Without copious rainfall it is expected by Federal Government sources that the San Juan will dry up completely in July.

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From the New York Journal of Commerce, June 18 -

BOWLES REPORTED READY TO RESIGN, Washington - The possibility that Economic Stabilizer Chester Bowles might resign this week in exchange for assurances that Congress would then pass a more effective price control bill than anything now under serious consideration was being advanced in some informed quarters today.

Advised of these reports, Mr. Bowles told The Journal of Commerce that "any rumors of my resignation are premature."

A spokesman for Mr. Bowles went on to explain four reasons why a resignation by Mr. Bowles would not be in the cards at the present time; (1) a resignation by Mr. Bowles under fire would confuse the public and weaken price control. (2) Congressmen would not undertake to change the legislation at all as a result. (3) Price Administrator Paul A. Porter was not mentioned in the resignation reports and presumably would continue to hold down prices. (4) There have been so many reports that Mr. Bowles is to resign some time this summer that the effect on Congress of his resignation at this time would not be great.

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TEXTILE MARKETS WAIT FOR CONGRESSIONAL ACTION ON OPA - The textile price increases granted last week under Amendment 47 to SR 14E, which lifted the ceilings on many items priced under the General Maximum Price Regulation, caused comparatively less of a stir in the market than might have been expected. The order provides a simple method of tentative price adjustment on items that have been frozen for a long time under GMPR, and is a desirable amendment.

The apathy of the market is due to the fact that principal concern of the moment is the ultimate fate of the OPA. Until the legislation extending this agency is passed and signed by the President, a waiting attitude may be expected in all primary textile markets.

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From The New York Times, June 16 -

REPORT FROM THE NATION-New England-Dairymen Warn Lack of Feed Imperils Milk Supply-Boston-New England dairymen will gratefully accept a one-cent price rise granted them by the Office of Economic Stabilization, beginning July 1, but they nevertheless agree that a milk shortage of alarming proportions is imminent.

Money, say the dairymen, cannot be substituted for grain in feeding cattle, and unless there is some relief soon, the steady decline in milk production not only will continue but also will become worse.

Herds, in a small way, are being reduced more than usual this year in an effort to conserve on the meager supplies of grain feed available. Cows reaching the age when their milk returns are close to a vanishing minimum are cleaned out of the herds in any year, point out the dairymen, but this year those which ordinarily might be carried along also are being removed.

In line with this trend of reasoning, Dr. E. A. Woelffer, manager of the H. P. Hood & Sons Farms, recently told members of the Massachusetts Safety Council at the company's Cherry Hill Farm in North Beverly, Mass., that immediate precautions must be taken to retain New England herds at their present size if an adequate milk supply were to be obtained next fall.

MIDWEST STATES-Trend to Big Farms Threatens New Social Problem-Omaha-A gradual but seemingly inexorable trend toward larger farm units threatens to deposit a "displaced-persons" problem on the doorstep of the rural Midwest.

Those who plead for maintenance of the smaller family-size farm are becoming alarmed and are increasingly vocal in their opposition to the inroads of the larger farms. They argue for retention of the smaller land unit largely on sociological and moral grounds, pointing out that economic and political evils may develop from the growing concentration of land ownership.

One of the more forceful among the family-size farm advocates is Msgr. L. G. Ligutti, originator of a unique homestead project at Granger, Iowa. He views the small farm owner, if secure and prosperous on his land, as the best safeguard against the various "isms."

As executive secretary of the National Catholic Rural Life Association he lashed out this week against the growing trend, asserting:

"We cannot bend our knees to trends just because they happen to exist. We decry medieval economics with lords and princes owning the land and peasants working under the guidance of major domos and yet we condone the present trend to larger farming units which is its twentieth-century equivalent."

Those who hold with the clergyman sometimes feel that they are fighting a rearguard action. For many farmers themselves believe that the trend toward larger individual holdings is inevitable.

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From The Salt Lake Tribune, June 11 -

GRAZING COUNCIL SHELVES FEE ISSUE FOR FURTHER STUDY-The touchy subject of grazing fees was temporarily shelved Monday by the national advisory board council to the U. S. grazing service, meeting here, but the council agreed to reopen the question at a general meeting held Aug. 16 and 17 at Salt Lake City.

Meanwhile an immediate investigation will be pushed by council members and grazing service staff to determine a fair fee. Present charge for grazing one cow unit or five sheep is 60 cents a year, said A. D. Brownfield, Doming, N. M., first vice president of the council, who presided at the meeting.

The council expressed itself as opposed to "earmarking" of funds for use in range improvement and maintenance, and urged that in the expected 30 to 40% cut in grazing personnel that preference be given retention of local men "who are in closer contact with actual users of the grazing lands and know local needs."

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From The New York Times, June 16 -

'FOOD BANK' URGED TO AVERT FAMINES-Washington-Sir John Boyd Orr, Director General of the United Nations Food and Agriculture Organization, ranking the prevention of hunger with the control of atomic power as keystones to world peace and security, proposed today the establishment of an international "food bank" for distributing the surpluses of one nation to the hungry peoples of another when the present emergency has passed.

Participating with Clinton P. Anderson, Secretary of Agriculture, in a regular radio broadcast on "Our Foreign Policy," he asserted:

"That's the only way we can solve the twin problems of famine and surplus. It would mean holding over surpluses from one year to the next."

"If we solve the food problem and control the atom we shall have some assurance of lasting peace," Sir John added.

Secretary Anderson expressed concern over the possibility of accumulating surpluses in basic farm commodities in this country as a result of maintaining peak production throughout the war period. He asserted that the question of whether or not the United States would undergo another period of surplus farm production would depend "mostly upon our ability to maintain full employment and good purchasing power."

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MORE FOOD ASKED BY CHINESE BISHOP-A letter to American friends from Bishop Paul Yupin, Chinese Catholic prelate, asks whether lack of information may not be the reason for pouring American food and supplies into Europe while more than 30,000,000 Chinese starve.

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From Chicago Journal of Commerce, June 13 -

GROWERS HOLD BACK SALES OF S. WEST WHEAT-Washington-Department of Agriculture officials admitted today that 1946 wheat in the Southwest is not moving as fast as expected and indicated that producers are still holding back grain.

Reports from the Winter wheat belt say that producers delivering their grain to elevators are holding back sales for the full 15 days allowed before turning over half of the supply for division between the government and the trade.

Railroad sources say producers have said they do not intend to sell any wheat they can store, and that this may mean considerable storage on the ground before the fate of OPA is decided.

Transportation has not yet become a serious problem, and no elevators are blocked in the new crop country, though the American Association of Railroads reports present movement as taxing available box car capacity.

The AAR reported most southwest wheat earmarked for export traveling to Gulf ports at present, despite earlier official indication that much of it may be shipped north for transport via the lakes to the eastern seaboard. Northwest movement is slackening, but there is still considerable bonus wheat to move into export position.

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From Chicago Daily Tribune, June 12 -

FARM BUILDING OUTLAY TO SET 25 YEAR PEAK-Farmers this year will spend 750 million dollars for new farm building and upkeep, their largest construction expenditure in 25 years, the Institute of Life Insurance estimated yesterday. However, because of material shortages and the channeling of supplies into non-farm housing programs, they will be unable to do nearly as much building as they wish.

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2014 (The newspapers and magazines from which these agricultural items appear are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From New York Times, June 19, 1946 -

LESS WHEAT IN '47, U.S. WARNS EUROPE-Washington-Department of Agriculture officials were getting ready today to chalk up a hard-won success on the "emergency" phase of the famine relief program. But the program set for the International Emergency Food Council, to be organized Thursday, faces a hard road.

Counting corn as equivalent to wheat, the department actually purchased more than its over-all goal of 6,000,000 tons for the current six months period.

By July 1, the "emergency phase" deadline set with the coming in of the new crop year, 5,100,000 tons of wheat will in all probability have been shipped and the rest of the 5,500,000 tons promised for overseas shipment will have been cleared by July 10.

After months of lagging shipments, this was made possible by grain buying which smashed all previous records under the bonus plan. The week ended May 25, the termination date on the bonus, had a record of over 5,000,000 bushels bought a day.

But the Department of Agriculture is warning that there can be no possible expectation that in another hard year the United States can repeat this record.

The figure being informally talked now for world wheat needs for the coming crop year is 1,125,000,000 bushels, as against 1,120,000,000 supplied in the current crop year. So no less wheat will be needed.

The Department of Agriculture has now flatly stated that only 250,000,000 bushels will be available for overseas shipment during the next crop year, or about one fifth of world needs.

Even that will be hard to get, it was pointed out, since a large part of the amount shipped this year was obtained from the carryover through the bonus plan.

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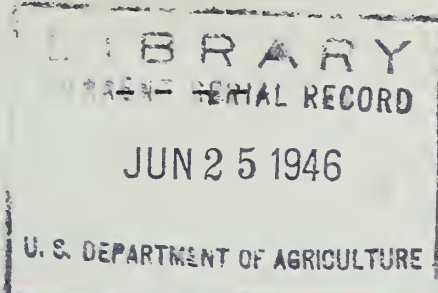
ANDRESEN SAYS ADMINISTRATION SPURS A FOOD CRISIS-Washington-Representative August H. Andresen, Republican, of Minnesota, told the House today that failure of Administration officials to make proper plans was "bringing the country face to face with the most serious food crisis in history."

He also asserted that "foreign interests" acquired food at OPA prices here and that it was being resold "at fancy black market prices to people in other countries."

Mr. Andresen said that, instead of making adequate preparations immediately after last year's big harvest, it was not until the middle of January that "drastic action was taken to curtail domestic consumption of wheat, corn and feed grains."

The Minnesotan, a member of the House Agriculture Committee, said President Truman and the State Department failed to inform the Agriculture Department until after Jan. 15 of food commitments made at Potsdam to care for starving people in the world.

(Turn to page 2 for other items in today's N.Y. Times.)



From The New York Times, June 19 -

ARGENTINA SHORT ONLY OF SHORTAGE; FOOD OF ALL KINDS PLENTIFUL, CHEAP-
Buenos Aires-Contemplating the Argentine food situation, one finds a shortage only of shortages. Here food seems, literally, to be stacked mountain-high. Nothing shows more vividly how immune from wartime privations Argentina remained and how remote the war's effects still are from her daily life than a comparison of near-famine conditions in Europe and elsewhere--as well as recurrent scarcities in the United States--with the gargantuan glut of food in this country.

On his visit to Buenos Aires early this month, former President Herbert Hoover, President Truman's special food envoy--after praising the "magnificent generosity" of Argentine aid to hungry nations--called attention to the big surplus of meat, cereals and other food-stuffs. The 800,000,000 persons who will need relief this summer can look to very few nations for it, he declared, and one of those nations is Argentina.

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SCORE GOVERNMENT ON FOOD HANDLING-Shawnee on Delaware, Pa.-Sharp criticism of the Government's handling of the food situation marked the second-day sessions of the convention of Grocery Manufacturers of America, Inc., meeting here today. Failure of Government officials to heed the industry's early warnings, it was charged, is largely responsible for current famine conditions. The sessions, addressed by industry leaders and Walter Straub, director, Famine Emergency Council were largely "off the record."

The American consumer will continue to face shortages of the hundreds of manufactured grocery products whose basic ingredient is wheat, for another thirty to sixty days, until the nation's wheat pipeline begins to fill from new-crop wheat and more normal distribution is resumed, it was predicted.

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U.S. WHEAT SHIPMENTS FLOWING TO GERMANY-Berlin-Of the 150,000 tons of wheat allocated to the United States occupation zone in Germany for April, May and June 99,000 tons of bread grains or flour already have been received or are on the way, Col. Hugh B. Hester, chief of the food and agriculture branch of the Office of Military Government announced today.

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FOOD OUTLOOK GRIM BRITONS ARE TOLD-London-The Labor Government defended its agricultural policy today in the House of Commons but Tom Williams, Minister of Agriculture, had to recognize that "it is a very grim and melancholy situation" that faces the British farmer and housewife this winter.

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LAG IN MEN'S SUITS LAID TO LABOR CUT --The scarcity of skilled labor in the men's clothing industry, principal factor in the continued shortage of suits, will continue indefinitely, trade leaders said yesterday.

The labor shortage began to shape up before the war, but did not become a problem during the war years because so little material was available for civilian production, they added.

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From The Wall Street Journal, June 19 -

LIFTING OF CEILINGS ON MEAT, POULTRY, DAIRY PRODUCTS WILL ENDANGER FOREIGN RELIEF - Washington - Top Government food officials expressed the belief that Congressional proposals to lift price controls on meat, poultry and dairy products would necessitate overhauling the nation's famine relief program.

Although officially mum, many Agriculture Department ^{experts} conceded privately that the wheat program will have to be changed drastically if the final Office of Price Administration bill lifts controls on meats, poultry and dairy products.

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U. S. WILL LEND MILLERS 5.5 MILLION BUSHELS OF WHEAT - Chicago - The Government plans to loan flour millers 5.5 million bushels of wheat to help keep them operating until 1946 grain is available, Secretary of Agriculture Anderson said here in an interview.

Secretary Anderson also said that no corn will be diverted from Government holdings to wet or dry processors this month. However, he stated that 5 million bushels of corn might be diverted to the wet and dry millers in July.

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SOUTHWEST DROUGHT CONDITIONS -- Severity of the drought prevailing in the Arizona region is demonstrated by the experience of the Salt River Valley Water Users' Association, which depends on Government dams for irrigation water. The Coolidge Dam on the San Carlos river, which is owned by the Indian Service, is shut down. Unless there are abnormal summer rains, the Roosevelt Dam will be shut down by August 15.

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From the New York Journal of Commerce, June 19 -

COTTON PRICE GAP CLOSES ON SHORT COVERING - Trade demand and short covering in the old crop closed the price gap in relation to the new crop in an irregular session on the New York Cotton Exchange yesterday. The closing range was off 8 to 42 points.

The market continued to feature the trading factors which reduced the monthly differentials on Monday. Large commission houses, holding most of the certified stock, were buying July contracts. New Orleans and local traders supported the same delivery. A small amount of trade demand also appeared.

In new crop positions offerings, apparently originating in the South, overbalanced the demand based on inflationary sentiment. The selling was attributed to the favorable weather reported generally throughout the belt. On the other side, demand came from those quarters which foresaw relaxation or abandonment of price controls after June 30.

Weather charts indicated that moderately high temperatures, needed to combat weevil infestation, prevailed from Texas to the Atlantic Coast.

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WIS. CHEESEMAKERS TO END WITHHOLDING - Plymouth, Wis. - George Mooney, secretary of the Wisconsin Cheesemakers Association, said today that the group's boycott withholding Cheddar cheese from the market has been lifted with the increase in ceiling prices yesterday. Association President Leonard Kopitzke said that the State's Cheddar production of about 2,000,000 pounds a day had continued throughout the embargo.

(Turn to page 4 for other items from today's N. Y. Journal of Commerce)

Farm Digest 1335-46-3

GRAINS AT CEILINGS IN LIFELESS TRADE - All grain futures held at their ceilings at Chicago yesterday with trading at a standstill except for a few small transactions in November and December oats.

The volume of trading during the previous session slumped to only 30,000 bushels of oats, an all-time low for that market, and it was expected that yesterday's volume would show little or no improvement.

Moreover, there appeared to be little likelihood of any expansion in trading until OPA legislation has been enacted, and irrespective of the outcome of that bill, the immediate trading outlook was considered far from bright unless there is a marked expansion in country offerings of grains.

Further reports of high yields in the Southwest were reviving talk of an 800,000,000 bushel winter wheat crop which would compare with the June 1 Government forecast of 774,588,000 bushels and last year's near record of 823,177,000 bushels but optimism was tempered by refusal of many farmers to sell.

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BUTTER AND CHEESE STILL BEING WITHHELD - Ceiling advances for butter, cheese and evaporated milk were followed immediately by full increases at most distributive levels. However, it is still too early to tell what influence these increases will have on stimulating production. In a number of cases owners still are inclined to withhold goods pending outcome of OPA legislation, although some butter and cheese has moved out following the advance.

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COTTON FOR JAPAN POLICY DEFENDED - The proposal to ship 225,000 short tons of Government-owned short staple cotton to Japan was vigorously defended yesterday by H. Wickliff Rose, co-ordinator of research of the American Viscose Corp. and a member of the recent textile mission to Japan.

Speaking before the annual meeting of the Export Managers Club, Mr. Rose, who is also president of the American Tariff League, pointed out that the cotton which the mission advocates shipping to Japan has been in Government warehouses for many years during which time no American manufacturer has expressed any interest in it.

The Japanese, Mr. Rose said, are accustomed to working with short staple cotton. The shipment, he explained, would permit the remaining Japanese mills to resume production and provide employment for the workers. With the factories producing textiles which are badly needed in Japan, the farmers would have more incentive to bring their produce to market, he added, since it would provide them with "some thing to buy."

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LASTING FARM PROSPERITY - Editorial - American farmers, like American industry, can offset the higher wages they pay by greater efficiency through mechanization. Farmers are in a far better position to finance mechanization than ever before. They have paid off their debts at a rapid pace, and have accumulated large amounts of cash and Government securities which can be used to purchase farm equipment.

Whether further mechanization of agriculture is accomplished through the development of larger farms or the establishment of organizations that would service smaller farms on a fee basis, the result would be a reduction in unit production costs that would enable American farmers to sell their output at world prices and yet realize a satisfactory return for their efforts....

* * *

From The Kansas City Star, June 16 -

URGE MEAT REIN LIFT-A request that OPA regulations be removed from livestock and meat yesterday was sent by the Kansas City, Kansas, Chamber of Commerce to congressmen from the Kansas City area.

J. Renz Edwards, Chamber of Commerce president, explained that request for discontinuance of OPA regulations on meat was decided upon only after careful and thorough investigation.

"Legitimate packers are unable to obtain sufficient livestock to carry on their operations, causing a large reduction in employment in one of this city's major industries," he declared.

"Extensive and widespread black market operations not only menace the health and welfare of the public, but result in higher prices on meats as well as the waste of meat and valuable by-products," he asserted.

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From The Farmers Guide, June 15 -

FARMERS THINK UNCLE SAM LET THEM DOWN-It is not a healthy thing for citizens to feel that their government has broken faith with them, that their government is evading price ceilings through the devices of bonuses or premiums.

But many a farmer at the present moment feels that he has been let down by his Uncle Sam. Many farmers responded patriotically and generously to the appeal of their government to sell at the OPA market price wheat for shipment to the starving people of Europe. The wheat did not come in satisfactory quantities but thousands of farmers sold at the current price. Now, these farmers who responded to this effort in a patriotic manner must stand idly by and see other farmers being paid a thirty-cent premium for their wheat.

If any one else--any business or corporation--says Senator Capper of Kansas, would do a thing like this, it would be called buying in the black market. "I do not believe it is a healthy thing," he said, "when the government itself carries on what comes very close to being black market operations."

Such things as these blunders and contradiction policies are having a bad effect on the public morale. The obvious encouragement of black market operators at the expense of legitimate businessmen and the inflationary effects of government policies that required industrial production are having increased bad effect on public opinion.

Evidently, says the South Bend Tribune, any important OPA reforms are to be classified as "weakening" by the bureaucrats and their private propaganda machineists.

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From St. Paul Pioneer Press, June 16 -

S.D. WILD HORSES MAY AID EUROPE'S STARVING-Pierre, S.D. (U.P.)-South Dakota farmers probably will "pitch in gladly" in UNRRA's drive to get horse meat for starving Europeans, Secretary of Agriculture Leslie V. Ausman believes.

Thousands of "wild or semiwild" horses race over the northwestern prairies offering no apparent value to any one, he said in an interview Saturday, and the farmers probably will welcome a chance to turn them into cash.

James Burt, food consultant for the United Nations Relief and Rehabilitation administration, told the South Dakota stock growers convention last week that UNRRA wants to buy 100 million pounds of canned or cured horse meat this year.

The big problem is to encourage the establishment of more processing plants, Burt said.

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From St. Paul Pioneer Press, June 16 -

FARMERS AND THE PUBLIC-By Alfred D. Stedman-Wake up, agriculture!

See what's going on around you. Look to your fences in the capitals of the states and nation.

The postwar era is rushing on. New pains of price and income are on the way.

To ease those pains, farmers will need more help and more insight from the government. They will need a larger share in the making of policies effecting farm prices. They will need a better understanding of farm problems by the public.

Why bring this up now, when farm prices are good and everything seems hunky-dory? It is now that the lines of economic and political struggles of agriculture in the postwar period are being laid. Agriculture cannot wait if it is to establish a strong position. Weakness or strength established now can measure the difference later between failure and effective meeting of postwar problems.

The evidence is dismaying that agriculture's story is not getting across as it should. Simple facts about agriculture are being misrepresented.

One example is the story recurrently inspired from Washington that agriculture is hogging prosperity. The fact is that the enlarged national income of wartime has been spread well around. But that income is spread about one-third thicker over industrial workers than over farmers.

And in Washington the Department of Agriculture which understands farm problems and perceives farmers' needs has lost the power to control farm prices and food subsidies to the OPA, which is most responsive to the views of labor. The farm price and food subsidy policies that are made in the OPA are super-imposed on farmers over their protests.

But these difficulties are just a faint foretaste of the troubles that are accruing, due in part to inadvertently or deliberately bad presentation of agriculture's case to the public.

Farmers need to rally to their associations, to stand by their cooperatives, and to make diligent use of the different media and agencies of public information to get and to keep the facts about farm problems clearly and truthfully before the public. If agriculture can do that, it will have established itself in a strong position to help the nation deal successfully with the agricultural issues of the postwar period.

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From The Milwaukee Journal, June 16 -

OUR FOOD--AND THEIRS-Editorial-The American housewife is not to be envied these days. Bread is short. Soap is hard to get. Butter is still more difficult. As for meat, the less said about that the better.

Many a housewife literally spends hours shopping for the things she needs to provide the three daily meals for her family. Once in a while her shopping tour is really successful. The family has a real dinner that night. But usually, day after day, there is some desired item missing. The dinner is then made up of an equal amount of desperation and hitherto despised fragments of this and that.

The peoples of the war torn countries of Europe and Asia are also concerned about their diets these days. They are not worrying much about meat or butter, for there is practically no meat or butter to worry about. Their worries are much simpler than ours. All they have to worry about is whether they will have anything at all for breakfast tomorrow, whether there will be any lunch, whether for dinner they can get a bit of bread.

Our future standing with humanity will depend on whether we measure up to our obligation to help feed the starving.

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JUN 25 1946

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, June 20 -

TRUMAN ASKS SPEED ON FUND FOR UNRRA; STRESSES FOOD LACK-Washington-President Truman strongly urged a speedy appropriation of the remaining \$465,000,000 authorized for the United Nations Relief and Rehabilitation Administration in his seventh quarterly report on UNRRA, submitted to Congress today.

In addition to giving figures for the first three months of this year on shipments by UNRRA to impoverished countries, the President summarized the total relief job done to date, told how it had been eclipsed and threatened by the famine crisis, and indicated the immense proportions of the rehabilitation task which would still be there when UNRRA closed out in Europe at the end of 1946 and in the Far East on March 31, 1947.

UNRRA's accomplishments thus far were termed "a bare and precarious basis for the ultimate recoveries of the countries it has sought to aid."

"The food crisis has cast its shadow over the whole of UNRRA's program and endangers the extent of recovery and self help which it had once been hoped would be achieved through rehabilitation shipments," the report said.

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MORE FOOD STOCKS FOUND BY HOOVER-Washington-Herbert Hoover, honorary chairman of President Truman's Famine Emergency Committee, reported today that he had found additional food for hungry lands as the result of "excellent cooperation" from Latin America.

Returning from an eleven-country trip, covering 15,000 miles, Mr. Hoover said the cooperation of these countries would make available in the June-September period about 800,000 tons of cereals and beans above previous estimates, net total of about 2,120,000 tons in the four months.

"There are still further possibilities from the Argentine," he stated. The changes in the situation of fats and oils are in the same favorable direction!

Mr. Hoover at a news conference an hour and a half after he arrived by plane from Latin America, emphatically disclaimed knowledge of any basis for reports that he intended to throw his support to price control legislation. He will see Mr. Truman at the White House tomorrow and will complete his formal report later.

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ARGENTINA DELAYS FOOD FOR EUROPE-Buenos Aires-The Argentine people are now being told that--despite local propaganda--their Government is not shipping food to starving Europe.

Daily articles in the popular Mundo and the less popular Hoy are emphasizing this fact. Despite President Peron's personal promises to Francis Sayre, representing the United Nations Relief and Rehabilitation Administration, and former President Herbert Hoover, representing President Truman, food is simply not leaving Argentine ports, these newspapers report.

(Turn to page 2 for other items
in today's N.Y. Times.)

Farm Digest 1345-46

From The New York Times, June 20 -

COTTON REGISTERS 9 TO 36 POINT GAIN-Buying of distant months by leading commission houses, and continued trade covering in near months, carried cotton futures of the New York Cotton Exchange to net gains on the day of 9 to 36 points on active months yesterday.

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OAT TRADING BRISK AFTER EARLY DIP-Chicago- A much larger trade was on in oats futures today on the Board of Trade, selling by houses with eastern connections and professional traders causing September to dip 1/8 cent a bushel and November 1/2 cent under the ceiling at one time, but the loss was quickly recovered on short covering and the finish was unchanged with all deliveries at the ceiling.

Corn and feed barley futures were unchanged with ceiling prices bid. Winnipeg July rye sold at \$3, a record high early, but the market weakened later with the finish 7/8 to 4 7/8 cents lower, the latter on October, which was off the permissible limit of 5 cents at one time.

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DAIRY CHIEF ASSAILS U.S. FOOD 'BUNGLING'-Syracuse, N.Y.-Unless farmers' needs are recognized "we will have a hungry nation," Henry H. Rathbun, president of the Dairymen's League Cooperative Association, declared today.

Mr. Rathbun told more than 1,000 farm women from five States at the annual meeting that "there has been so much bungling that it is a wonder we have any food."

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OPA PREDICTS RISE IN CANNED FOODS-Washington-The Office of Price Administration today forecast higher retail prices in the 1946 pack of canned fruits and vegetables.

In some cases, the agency said, wage increases granted by canners will push up the cost to housewives. In other cases, OPA added, approved pay rises "are expected to have too small an effect to be felt at retail."

Prices for vegetables canned by companies which have not granted wage increases "will generally remain unchanged," the agency said.

As for fruit prices, canners in any event will be authorized to take into account the higher cost of sugar.

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GAINS AGAINST FAMINE-Editorial-The International Emergency Food Council, which today supersedes the war-created three-nation Combined Food Board, starts work with the assurance that world-wide famine this summer has been averted. The Department of Agriculture believes that by July 10 the United States will have met its promised export wheat quota of 5,500,000 tons for the six-month period. Other cereal-exporting countries have done their share. This does not mean that a good part of Europe and Asia is not still hungry. It does not mean that there have not been deaths directly due to hunger and many more due to diseases which choose the hungry for their special victims.

These facts ought to make Americans more content with their present lot.

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From the New York Journal of Commerce, June 20 -

ICC FINDS CRITICAL BOX CAR SHORTAGE, Washington - The Interstate Commerce Commission said today a shortage of railroad box cars has created an "immediate emergency" and named an agent with full authority to regulate them.

Referring specifically to the "critically urgent needs for food in foreign countries in the shortest possible time," the commission said:

"The movement, supply and distribution of box cars is inadequate to meet the demands presented in all sections of the United States."

Warren C. Kendall, chairman of the Association of American Railroads car service division, was named the commission's agent.....The order becomes effective June 21 and expires Dec. 20 unless changed.

The commission previously had ordered the railroads to give preference to movements of wheat, corn, meat and other essential foods for export, and to the movement of grain from country elevators to terminal elevators.

The current box car shortage was described yesterday as merely a more accentuated version of the situation which existed last year when drastic action had to be taken in order to insure an adequate supply of cars to move the grain crop. This year, with the need for grain for export rendered acute by famines and near-famines in many parts of the world, and with the roads prevented from rehabilitating their rolling stock as rapidly as they had expected to due to strikes and material shortages, the necessity for the closest possible coordination in the employment of available equipment was described as even more vital than it has been during previous harvest seasons.

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END OF PRICE CURBS ON GRAINS URGED, Washington - National Association of Commodity Exchanges and Allied Trades, Inc., today urged the Senate-House conferees on OPA legislation to lift price controls on grains.

J. A. Higgons, Jr., executive vice president of the association, in a memorandum sent to the Senate-House conferees said that lifting of price controls on grains would speed the efforts for famine relief; assure the flow to market of grains now held back on farms; prevent an abnormal supply of grain being used for feed purposes if live stock, poultry and dairying are decontrolled; and wipe out black markets now handling one-half to three-fourths of the country's grain.

Citing that there has been widespread recognition of the untenable position of Senate action leaving grains under a tight pricing schedule, with a great part of the nation's food supply again in the free market, Mr. Higgons advised the conferees that the decision on OPA legislation will have a vital bearing on food supplies, at home and abroad, for a long time to come.

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REASSURANCE ON SUGAR - Editorial - Present sugar rations will be maintained during the balance of the year, the Department of Commerce predicts, despite an indicated decline in receipts from Cuba of more than 1,000,000 tons this year as compared with 1945. Maintenance of the ration will be made possible primarily by the drastic cut in military purchases. Small increases in domestic production and shipments from Hawaii are helpful. The sugar shortage is likely to end only when imports into this country from Cuba or the Philippines, or both, will be increased substantially. There is no prospect that this can occur before the middle of next year when larger Cuban crop is expected, at the earliest.

(Turn to page 4 for other items from today's N. Y. Journal of Commerce.)

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Farm Digest 1345-46-3

From the New York Journal of Commerce, June 20 -

SPECIAL FARM AID RENEWAL OPPOSED, Washington - The Mortgage Bankers Association of America has registered its opposition to the proposed two-year extension of Federal authority to make Land Bank Commissioner loans to farmers, its farm loan committee declaring that "existing conditions do not justify unnecessary emergency aid and high percentage loans encourage over-extension and consequent stimulus to a boom in sales prices."

Representative John W. Flannagan, Jr., chairman of the House Committee on Agriculture, was told that conditions now existing in the farm economy have removed any necessity for a further extension at this time.

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SOME CREAMERIES TO BEGIN CHURNING - A little more butter is available at terminal markets with the offering of some goods recently held back, but the quantity is still only a fraction of normal for the season. It is still too early to tell how much butter production will be stimulated by the price rise and by dairy controls in other directions. However, there are encouraging indications that some creameries even now are preparing to give up fluid cream shipments and resume churning.

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FOOD MEN SEE RATIONING IMPOSSIBLE NOW, Shawnee - On - Delaware, Distribution of essential food products to the American home, already interrupted by stoppages at points of production, would be broken down completely at the retail level by a return to Government-controlled rationing, according to food industry leaders attending the final session of the mid-year meeting of Grocery Manufacturers of America, Inc., at Shawnee Inn here.

Spokesmen for manufacturers and distributors agree that any attempt at rationing products that are now scarce is impracticable and impossible, and, if instituted, would result in the growth of black markets larger than any yet experienced, thus failing to accomplish the purpose of rationing--the equitable distribution of the products concerned to all of the people. Commenting on conditions in the food industry and recommendations by some groups that rationing be invoked, speakers agree, as one manufacturer put it, "You can't ration chaos."

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From the New York Wall Street Journal, June 20 -

GROCERY MEN SAY PRICES TO GO HIGHER, SHORTAGES MAY LAST 2 MORE YEARS, Shawnee On Delaware - The American housewife can count on continued shortages for another year, possibly even two, of such everyday items as butter, meat, flour, cereal, puddings, sugar and fats and oils. Whether or not the Office of Price Administration is continued, the food the housewife puts on her dinner table will become increasingly expensive.

That, briefly, was the food outlook for the country outlined by grocery manufacturers, wholesalers and retailers interviewed at the mid-year meeting here of the Grocery Manufacturers of America, Inc.... While most of their discussions dealt with the present problems of food shortages, the food men took a look, too, at the distant future when there will again be enough for all to eat. Then, they predict, the public will lose some of its present unprecedentedly sharp appetite for food when more durable consumer goods--such as autos and radios--are on the market. Americans are eating so much currently, it was said, largely because there aren't enough other goods to bid for their dollars.

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From Chicago Journal of Commerce, June 18 -

BRITISH WHEAT PACT DECLARED U.S. BARRIER-Washington-The forthcoming agreement between Canada and the United Kingdom, under which the bulk of Canada's wheat surplus would be sold for use both in England and in other European countries, may result in the blocking of the United States' European wheat market as soon as the world grain crisis ends, an economic adviser in the government admitted today.

If the trade agreement is concluded, it can easily cause a serious political breach between the United Kingdom and this country within a few weeks, since it runs contrary to United States policy as outlined last November in the State Department white paper, "Proposals for Expansion of World Trade and Employment."

Private grain men said that the proposed agreement may get a public airing on the House floor within a day or two, probably through efforts of opponents of the British loan, final action which is due in the near future.

The proposed agreement is understood to guarantee Canadian producers a price of about \$1.55 a bushel for the next two years, in a government-to-government transaction involving between 125,000,000 and 350,000,000 bushels a year. The agreement, in general, is said to run from five to seven years, with the price still undetermined for the final few years.

The government economist said that the agreement probably sets a floor on the Canadian surplus for many years, and that it could easily close the door on the profitable disposal of United States surplus wheat after the present cereal grain shortage ends.

Trade representatives agree that conclusion of such an agreement in this period of world wheat shortage will give Canadian producers the jump on future markets.

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CONSUMER PRICE CONTROL-Editorial-In a small way the consumer's traditional role as a better price controller than all the Leon Hendersons, Chester Bowles and Paul Porters together is beginning to have an effect upon the markets. That role may be counted upon to increase in importance as more and more goods are put up for sale.

It is a significant straw in the wind that the buying public again is becoming price conscious. Waning is the wartime abandon with which the shoppers grabbed at merchandise.

Scarce goods still are snapped up, but every week sees greater supplies in more and more lines. A psychological factor then enters the retailing picture. The customer decides there is no need to buy beyond immediate needs.

Moreover, the customer has more choice. He--or, more usually, she--is becoming choosy. If the price tag on the article doesn't seem to jibe with quality, the shopper does some old-fashioned shopping.

Even such hunted items as men's white shirts have met sales resistance in a leading New York City department store. Sales of shirts at \$4.98 and then at \$3.98 dragged. The consumer was exercising his privilege of not buying when, in his opinion, quality didn't measure up to price.

For the consumer is the final judge of whether prices are too high or too low. He makes or breaks the black market. He snaps up goods from retailers' shelves or he lets them lie there. His current behavior is the best reason for doing away with a system that fosters dishonest marketing and for returning to a basis of free prices.

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From The Commercial Appeal, June 17 -

MISSISSIPPIANS STILL PLANTING MORE COTTON-They still are planting cotton in the Mississippi Delta, although it is a week or more beyond the June 10 date which is supposed to be the planting deadline in this area.

It is the general supposition that cotton planted after June 10 faces the risk of meeting an early frost which will halt the maturity of the bolls and destroy a major part of the crop.

The crop is late this year, perhaps as late as it was in 1945, when rain and cool weather hampered the planting and development of the crop to a point that the harvest was one of the smallest in many years. There are some exceptions, of course, but generally the progress of cotton has been slow.

Some of the early crop, which came up to good stands, had to be plowed under and replanted because the grass grew faster than the cotton and it was more costly, by the time the weather permitted, to chop the cotton out than to replant.

Chopping is one of the major difficulties this season. The current rate for choppers is \$4.50 a day of 10 hours, with an added 40 cents going to the trucker who hauls the hands to the field. There have been instances where the cost of chopping has been as great as \$20 an acre, a sum which, added to the other costs of cotton growing, indicates that the farmer will make little on his crop even at current high prices.

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From The Atlanta Constitution, June 14 -

'THE HUNGRY EDGE OF APPETITE'-Editorial-William Shakespeare asked:

"Who can cloy the hungry edge of appetite

By bare imagination of a feast?"

The hungry edge of appetite cannot be cloyed by bare imagination of a feast.

Yet, more than a year after V-E Day, we are not doing enough to prevent starvation in many parts of the world. Part of the blame lies with our national leaders, particularly Secretary of Agriculture Anderson. Part of the responsibility lies with all of us. If we have not been apathetic, we have not been aggressive in demanding that drastic measures be taken to prevent world starvation.

Why?

The main reason is because Americans do not know the meaning of hunger, nor do they know its implications. Americans do not realize that hunger means one thing to them and another to most of the rest of the world.

Had we grasped the tragedy of famine, we would be far ahead, instead of behind, in our food commitments to starving countries.

It is getting late; we cannot delay.

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From The Milwaukee Journal, June 16 -

EUROPE'S PLEA HEHEDED HERE-The plea of European relatives for food is being answered by thousands of Milwaukee area residents. Food shipments through the Milwaukee postoffice equal the shipments of war time parcels to servicemen overseas, Postmaster John A. Fleissner said Saturday.

More than 200 sacks, sometimes as many as 245, are shipped daily, containing at least 10 packages each. Nearly all weigh the permitted limit, 11 pounds. About half of the parcels are directed to Greece, Poland, Germany and Italy and the remainder to the other European countries, he said.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, June 21 -

19-NATION COUNCIL WILL ALLOCATE FOOD FOR SHORTAGE DURATION-Washington-The three nation Combined Food Board met today and dissolved into the nineteen nation International Emergency Food Council, charged with the vital task of allocating world foods in short supply "for the duration of the shortage of basic foodstuffs, with December 31, 1947 set as the tentative terminal date. The Council then elected a nine nation Central Committee.

Of twenty one countries invited to form IEFC in keeping with recommendations made when the Food and Agriculture Organization of the United Nations held its special meeting on urgent food problems here in May, only Russia was unrepresented today. Mr. Jorge Sola, Commercial Attache of the Argentine Embassy was present but explained he could not immediately accept membership, not yet having received instructions, now on their way.

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WHITE RUSSIAN CROPS UP-Moscow-The harvest of wheat, rye and oats in the White Russian Republic is expected to exceed that of 1945 but will be "substantially" below the prewar figures, Richard Scandrett, chief of the United Nations Relief and Rehabilitation Administration's mission to the republic said today.

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UNRRA WHEAT DIVERTED-Vienna-Two ships loaded with 17,000 tons of United Nations Relief and Rehabilitation Administration wheat for Austria have been diverted to Italy in midocean, officials said today.

The diversion of this grain, expected to furnish about 300 calories daily for a month to Austria's population, was a blow to the Allied Control Council, which only last month scraped up some 25,000 tons of food supplies to tide the UNRRA and the Austrian Government over a crisis. Austrians who have heard of bulging food stores and fancy restaurant menus in northern Italy were discouraged to hear of the diversion. They were also puzzled, since the harvest comes earlier in Italy than in Austria.

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Vienna-Gen Mark W. Clark authorized the American forces today to contribute 1,000 tons of wheat from military stores to Vienna's food pool in order to assure a minimum of 300 grams of bread for each consumer for the rest of June.

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BOWLES PROTESTS OPA COMPROMISE-Washington-Chester Bowles, Stabilization Director, made it clear in a statement today that he would stand firmly against any compromise of the price control issue. Later he hinted at a press conference that any extension legislation upon which Senate House conferees were likely to agree would result in his resignation if it became law.

(Turn to page 2 for other times
in today's N.Y. Times.)

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Farm Digest 1355-46

From The New York Times, June 21 -

URBAN RURAL GAP SEEN NARROWING-Increasing similarity between urban and rural people was predicted yesterday by Dr. F. F. Hill, Professor of Land Economics at Cornell University, in an address before the North Atlantic Regional Conference on Rural Life and Education held at Teacher College, Columbia University.

Continual technological changes, he declared, are reducing the number of men and man hours required in farming and necessitating the development of non-farming jobs in rural life.

"Once the food emergency is over," Professor Hill said, "there will be an easing of prices. Farm prices will follow the general pattern of prices in the country. That is, if inflation comes, then farm prices will climb. Similarly, they will drop if we have deflation."

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FOOD FOR EUROPE HELD AID FOR ARMY-Chicago-The more food this nation sends overseas, the fewer men will be needed by the Army, Lieut. Gen. J. Lawton Collins, newly appointed Director of Information of the War Department today told delegates attending the fifty fifth annual convention of the General Federation of Women's Clubs.

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DU MOND OPPOSES DIET CUT FOR U.S.-Utica, N.Y.-Any permanent reduction in the quality of the American diet to feed other peoples is not to the best interest of the people of this country, declared C. Chester Du Mond, State Agriculture Commissioner, today speaking before the New York State Association of Small Loan Companies at its annual meeting.

He said the "main hope" of agriculture is seeing that the diet of the people is graded up from grain and beans to milk, meat, eggs, fruit and vegetables.

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DAIRYMEN OPPOSE GOVERNMENT SUBSIDY-Syracuse-The Dairymen's League Cooperative Association, which claims 26,000 members in New York, Pennsylvania, New Jersey, Vermont and Connecticut, today approved resolutions which opposed Government subsidy payments, urged the board of directors to continue its efforts to obtain prices to compensate for increased production costs, opposed daylight saving time and urged that surplus property be "kept out of the hands of speculators and moved through the normal channels of trade."

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MAGISTRATE IN SENTENCING BLACK MARKETEEER SCORES WHOLESALE PRACTICES-Magistrate Charles E. Ramsgate declared yesterday in War Emergency Court that in trying black market cases he had concluded that wholesalers were mainly responsible for the country wide evil by forcing retailers to pay overceiling prices in violation of Office of Price Administration orders, "if the retailers want to remain in business."

The magistrate made the remark in imposing a ten day workhouse sentence and \$250 fine on Jack Sherman who has a wholesale food market at 73 West 116th St.

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From the New York Wall Street Journal, June 21 -

SUGAR QUOTA ACT EXTENDED FOR 3 YEARS BY SENATE GROUP, Washington - The Senate Finance Committee approved extension of 1937 sugar quota act for three years instead of one year as voted by the House. The sugar quota act expires at end of this year. It provides for production quotas in domestic areas and import quotas from foreign countries....

Sen. O'Mahoney (D., Wyo.) argued in support of three-year extension; although he said he would press for hearings next January on a bill he and Sen. Johnson introduced jointly to increase domestic sugar quotas.

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THE BORDEN CO. has acquired the business and assets of the Armstrong Food Co., Inc., manufacturers of pet foods, according to C. F. Kieser, vice president of Borden's special products division. The acquisition follows Borden's policy of diversifying its activities, he said.

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REVENUE FREIGHT CARLOADINGS during the week ended June 15 totaled 867,918 cars, an increase of 37,792 cars from the previous week and a decrease of 5,404 cars from the like week a year ago, according to reports to the Association of American Railroads.

Loadings for grain compare as follows: 45,538 for June 15 week, 2,032 more than in June 8 week, and 7,383 less than in same week in 1945.

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WINTER WHEAT CROP WELL OVER JUNE 1 ESTIMATE, MID-MONTH REPORT SHOWS, Washington - The first mid-monthly Government crop report showed a winter wheat crop of 809,067,000 bushels, a substantial increase over the June 1 estimate of 774,588,000 bushels. The new estimate on spring wheat, however, declined more than 26 million bushels to a figure of 224,072,000 bushels.

The June 1 estimate for all spring wheat was 250,921,000 bushels. According to the June 14 estimate, total wheat crop this year will amount to 1,033,139,000 bushels, up nearly 8 million bushels over the previous estimate of 1,025,509,000 bushels.

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JULY EGG SUPPORT PRICE UP, Washington - Egg dryers and freezers supplying eggs for Government purchase will be required to pay poultry farmers 30 cents a dozen beginning June 25, according to an announcement sent to the trade by the Department of Agriculture.

While the new price represents a 2 cents a dozen increase over the June level, officials say this is a seasonal increase and does not constitute a boost in the yearly average support price of 27 cents a dozen. The Department also announced the purchase of 685,000 pounds of dried whole eggs for June delivery at \$1.05 per pound. These eggs are for export, primarily to Britain. This brings total purchases since the program began in early February to 62,231,000 pounds. The announced goal is 69 million pounds.

This week the Department also bought 442,000 pounds of frozen whole eggs at 26.75 cents a pound under a price support program for whole eggs. Since April, purchases under this program have totaled 4,364,000 pounds.

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From the New York Journal of Commerce, June 21 -

COURT OF APPEALS DROPS MARGIN SUIT, Washington - The United States Court of Appeals today upheld a lower court's dismissal of a suit seeking to void a Government regulation increasing margin requirements for cotton futures trading.

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COTTON PRICES OFF AS TRADE HESITATES - Trade hesitation, pending the outcome of price control legislation in Washington, depressed prices generally in an irregular session on the New York Cotton Exchange yesterday. The closing range was off 12 to up 1 point.

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ALL GRAIN FUTURES HOLD AT CEILINGS - The near stagnation which has characterized the grain futures market at Chicago during the past week was again very much in evidence yesterday with trading restricted to a few small lots of oats at the ceiling, while corn and barley deliveries were bid at ceilings without attracting any offerings.

Traders remained on the sidelines awaiting OPA developments and until these materialize it was expected that extreme dullness will predominate.

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AAR TO RUSH CARS TO GRAIN STATES, Washington - Reallocation of the nation's critically short supply of boxcars will begin at once to move grain out of six critical States, the American Association of Railroads said today.

The critical grain States to which the bulk of reallocated cars will be rushed are Kansas, Missouri, Oklahoma, Texas, Nebraska and Colorado.

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GRAIN TRAFFIC RISING ON CANAL, Albany- While petroleum continues to hold a commanding lead over all other cargoes, the movement of grains through the canals appears to be on the upswing. During the past week a total of 15,498 tons of wheat were cleared through the Oswego division of the canal. This represents more than 25 percent of all wheat shipments so far this year.

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From the New York Herald Tribune, June 21 -

OPA TO MAKE NATIONAL CHECK OF CLOTHING PRICE VIOLATIONS, Washington - Plans for the first nation-wide crack down on clothing price ceilings in retail stores were disclosed today at the Office of Price Administration. Starting July 1, a national survey by local O.P.A. officers will check half the stores in the country, and more if feasible, to detect illegal markups on men's, women's and children's clothes.

Recent spot checks throughout the country have revealed "a wide number" of retail price violations, Miss Jeannette Harrington, of the textile and apparel division, said today. But she could not specify the extent of the overpricing, or the lines most affected.

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From The Boston Herald, June 19 -

LINING UP FOR SCARCE EGGS IN PROSPECT BY MIDSUMMER-Because of the increased slaughtering of laying hens brought about by the grain shortage, poultry experts yesterday predicted a shortage of eggs by midsummer.

Julius Kroeck, supervisor of poultry and eggs for the state department of agriculture, said there was a possibility of "egg lines" joining the butter, meat and nylon lines.

"Eggs certainly will be hard to get," he said, "slaughtering of laying hens is 300 per cent above normal and will continue unless the feed situation improves."

Kroeck explained this was the normal time for a drop in laying hens, but that the 50.6 per cent drop which has occurred since Jan. 1 is 30 per cent more than it should be for the period.

This means that during the summer, before the baby chicks now on the farms have reached the producing stage, New England farmers will not have sufficient supplies of eggs to bring to the market.

Carl K. Langenfeld, president of the Rhode Island Farmers' Co-Operative, said yesterday that eggs would "be in the black market" before long.

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From Watertown Daily Times, June 18 -

A TASTE OF WHAT IS TO COME-Editorial-Prices have gone up at an alarming rate as a result of concessions which the OPA has been forced to make this month. Butter has advanced eleven cents a pound retail, cheese has gone up six cents, bread, taking into consideration the reduced size of the loaf, has advanced about 25 per cent. There have been other advances -- many of them -- with the result that the cost of living on July 1st is likely to be from three to five per cent higher than it was on June 1st.

These advances have led some people to believe that inflation is now here in all its force so why try to continue price control. Ceilings have been relaxed in a number of cases so get rid of them altogether. That is like saying because a fire has already destroyed several valuable buildings, why not let it destroy the whole community.

These relaxations in price control, made necessary to some extent by wage increases, as in the case of coal, by our obligation to feed Europe, as in the case of wheat, and, in others by the pressure of groups constantly trying to break down price control, simply give some indication of what we may expect if the whole price control system is junked.

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From The Kansas City Times, June 18 -

FARM HOARDING IS DENIED-Topeka, (AP)-Cal W. Floyd of Sedan, chairman of the Kansas Livestock commission, today issued a flat denial that farmers and livestock producers are withholding meat animals and grains from markets.

Despite recent publicity to the contrary, Floyd told a Kiwanis club luncheon "It is not in the make-up of the farmer or stockman to profiteer by holding scarce items for higher prices." He added:

"Facts of the matter are that the men, boards and agencies of government have pushed us into nationwide confusion. They are entirely responsible for our present plight and are now trying to shift that responsibility from their own shoulders where it rightfully belongs, to the shoulders of our farmers and stockmen."

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From Chicago Daily Tribune, June 19 -

FARMERS SHIP LARGER MEAT ANIMAL SUPPLY-Altho the office of price administration extension bill passed the senate with an amendment providing for the removal of live stock and meat ceiling prices July 1, farmers are selling more cattle and sheep this week than they sold last, a survey of the leading market centers showed yesterday. The decrease in the number of hogs marketed did not offset the increase in cattle and sheep yesterday.

Twenty of the biggest stock yards received a total of 153,000 cattle, hogs, and sheep, compared with 151,000 a week ago. Cattle volume rose from 40,000 last week to 44,000 yesterday. Sheep supplies increased from 55,000 to 65,000. The hog total dropped from 56,000 to 44,000.

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From The Atlanta Constitution, June 18 -

THE NEED FOR HOME CANNING CONTINUES-Editorial-Allocation of special Federal funds to enable community canning plants to do a bigger job calls attention to the fact that the need for preserving produce continues unabated.

Georgia's 400 community canning plants have been given \$38,256.72 for the month of June and another \$200,000 is expected with the beginning of the new fiscal year, July 1. This money is for the purpose of hiring special assistants to aid vocational agriculture teachers in the operation of the plants during the present busy season.

With the nation's food outlook still uncertain due to the starvation threat in Europe, every Georgia housewife should take advantage of the opportunity to can as much as possible. Produce will be plentiful and economical in the weeks ahead. Community canning plants provide means of preserving fruits and vegetables against the time they may be scarce and high.

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5c MELON NOW BRINGING 60c-Vidalia-It is possible this week to buy a regular five-cent-size watermelon, home-grown and ripe, for only 60 cents, the crop having matured in early patches.

County Agent Eugene Brogdon said the Toombs County crop is growing on 300 acres this season, and while not planted for a commercial crop, because of a fairly good yield on the acreage and high prices, the melons are adding a good figure to farm income. The melons are taken by truckers who call at the fields and bargain for the loads.

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BUTCHERS' ADVOCATE, June 12 -

MARGARINE-Editorial-Many housewives who never used this product before the war are now regular customers for this item. The mishandling of our butter situation by the OPA has done more to widen the scope of margarine sales than anything else could possibly have done for this industry.

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From the New York Times, June 24, 1946 -

SUGAR PRICE RISES TODAY - Washington - The retail ceiling price on sugar will go up 1 cent on a five-pound package, effective tomorrow, the Office of Price Administration said today.

Refiners' ceiling on both granulated cane and beet sugars will increase at the same time by 10 cents on the 100 pounds.

These increases, OPA explained, follow a cost study in the sugar industry showing that wage rises and lower production had reduced earnings. Beet sugar prices were increased to maintain the price relationship with cane sugar.

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FIXED PRICE WOOL SALES IN U. K. TO END JUNE 30 - London - United Kingdom Dominion Wool Disposals, Ltd., announced today that the sale of wool at fixed prices would end on June 30 and that wool auctions would be held in accordance with supply and demand later this year in Britain, Australia, New Zealand and South Africa.

The organization had been directed by the four countries to develop a plan for orderly disposal of wartime surpluses while maintaining stable prices.

Auctioning of stocks, together with current clips, will begin in Sept.

The plan is to maintain stable prices by the regulation of offerings and by means of reserve prices, at which the organization will be prepared to buy in growers' wool at auction.

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TRADERS IN COTTON WAIT OPA VERDICT - Reflecting uncertainty over the outcome of pending price control legislation, the cotton futures market fluctuated nervously last week. Active contracts on the New York Cotton Exchange ended the week with net gains of 5 to 30 points, with the July delivery registering the greatest advance.

While it was generally believed that the conference committee would submit a bill to Congress that would still provide for a considerable modification of Office of Price Administration powers, cotton traders appeared inclined to move cautiously pending final action on the measure.

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LARD AND FATS SLOW - Chicago - That little open-market business was transacted in lard and fats last week was at ceiling prices, with the demand considerably in excess of the supply.

Owing to a shortage of grain for feeding purposes the average weight of receipts of hogs last week dropped about 20 pounds compared with the corresponding period last year, resulting in smaller production of lard and fat per hog. Farmers continue to withhold hogs from market as the result of uncertainty regarding Congressional action on the Office of Price Administration extension measure, and receipts at leading markets last week were far below normal.

Trading in lard futures on the Board of Trade has been ordered to cease until further notice as the result of inability to obtain a stock of cash lard available for delivery purposes and the only outstanding contract that in the July delivery was ordered closed out at the ceiling price of \$14.05 per 100 pounds. (Turn to page 2 for more items from today's N. Y. Times) Farm Digest 1365-46

From the New York Times, June 24 (Cont.) -

GRAIN TRADING IN CHICAGO - Chicago - Trading in grain futures on the Board of Trade last week was the smallest on record, sales aggregating 2,584,000 bushels or a daily average of about 430,000. During the previous week sales were 20,247,000 bushels and last year 217,192,000. Business was confined entirely to oats, no transactions being reported in corn and barley.

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UNRRA SENDS COAL, TIN, HIDES TO ITALY - Washington - The United Nations Relief and Rehabilitation Administration has stepped up its program for the rehabilitation of Italy's economy through the delivery of hundreds of thousands of tons of fuel and raw material, F. H. LaGuardia, Director General, said today. He added:

"In spite of the recent coal strike UNRRA was able to deliver almost 200,000 tons of coal to Italy in May, thanks to the arrival from the American West Coast of ships with fuel mined before the strike began.

"This coal is essential to the entire economic life of Italy--for its railroads, food processing plants, gas works, fertilizer works, and steel and general engineering."

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AUSTRIA EXPECTS MORE UNRRA FOOD - Vienna - As a result of a visit to Vienna by John Wraight, special representative of Fiorello H. LaGuardia, Director General of the United Nations Relief and Rehabilitation Administration, it was believed today that Austria's food needs would receive more consideration than they hitherto had had from UNRRA.

There has been an impression here that Austria, although probably the hungriest country in Europe, is the Cinderella of UNRRA's family of recipients. This was strengthened by the diversion from Austria to Italy during the last fortnight of two food ships carrying 17,000 tons of food.

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PRICE DECONTROL PROBLEMS - Editorial - One error in the price-control extension bills passed both by the House and Senate was the attempt to prescribe too many details. The reason for this error is plain. Congress wished to leave as little as possible to the discretion of the OPA administrators because it has come to distrust the way in which this discretion was exercised. Yet by leaving in too rigid restrictions or directions the Congressional conferees could inadvertently supply those administrators with plausible alibis for not doing an "effective" job.

To prevent the OPA from returning nine months or a year from now with a demand for still further price-control extension, some definite provision should be made for a gradual and orderly tapering off of price control during the present extension. This might provide for reasonable discretion by allowing OPA to choose among several courses. It might be allowed to decontrol either by (1) decontrolling the specific commodities listed in the Senate bill, or (2) decontrolling all commodities being produced in excess of 1940-41 levels as provided in the House bill, or (3) decontrolling as far as practicable not less than 8 to 10 percent per month by value of all commodities at present subject to price control. These alternative courses could be set down as general guides for the OPA administrators rather than as rigid mandates. In this way a compromise could be reached between the House and Senate standards for decontrol at the same time as the OPA administrators would be left with more discretion than either set of standards now leaves them to deal with situations as they arose.

From the New York Wall Street Journal, June 24 -

WHEAT BLACK MARKET, Wichita, Kans. - A black market in wheat is developing here in the Southwest where the harvest is now in full swing. Black market prices in most cases, range from a few cents to 13 cents a bushel over the ceiling. In some instances, there are reports that prices as high as \$2 a bushel have been paid farmers. The ceiling is about \$1.72 at the farm in this area.

While a considerable amount of wheat is moving at the ceiling, grain merchants here say they have a tough time buying it with money. Farmers prefer to barter their wheat for scarce livestock feeds, such as soybean or cottonseed meal.

The most common way of getting a little above the ceiling is by upgrading the wheat....Taking all possible mark-ups is another practice that boosts what millers have to pay for wheat. Grain men refer to this as the "illegal black market." Terminal elevators, for example, sell wheat to a flour miller with the stipulation he leave it in storage for at least six months. In this way, the elevator firm earns six cents a bushel "rent" on the wheat (elevators charge a cent to a cent-and-a-half per month a bushel for storage). This type of agreement is entirely legal.

A somewhat different elevator practice, which O.P.A. officials think is just a shade outside the regulations, is to agree with a farmer to store his wheat at a cut-rate-about 1-6 cent a bushel per month instead of the usual one cent. In return the farmer agrees to let the elevator have control of the wheat and decide to whom it will be sold.

Itinerant truckers, similar to those that have been participating in the corn black market, are now operating in the wheat country. Some of these wandering truckers have worked out a profitable two-way haul. They buy lumber at over-ceiling prices as it comes out of Southern sawmills and truck it up into the wheat country. Here they sell it at a good net grain. With the proceeds they obtain a load of wheat to take back.

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LINSEED OIL TRICKLES FROM LOWERED FLAX CROP, San Francisco - Linseed oil from the new 1946 flax crop is now trickling from California crushing mills. But it's only a dribble where a mighty flood is needed.

Flaxseed stocks in this country are about exhausted, and import prospects are far from bright. Big consumers like paint manufacturers and linoleum makers are suffering.

Argentina is the world's largest flaxseed producer, and this country depends heavily on her for linseed oil. With the fats-oils shortage world-wide, other nations, particularly Russia, are pressing for the South American product. A U. S. government representative for months has dickered in Argentina for the purchase of surplus flaxseed and linseed oil.

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ARMOUR ANNOUNCES REFINANCING PLAN TO SAVE ON INTEREST, Chicago - Armour & Co. announced a refinancing plan designed to replace present \$6 and \$7 preferred stocks with lower dividend issues, to eliminate \$15,330,943 dividend arrears on the preferreds and to put the common stock in a position to receive dividends.

(Turn to page 4 for other items from today's N. Y. Wall Street Journal.)

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Farm Digest 1365-46-3

From the New York Wall Street Journal, June 24 (Cont.) -

WHEAT FLOUR OUTPUT DOWN, Washington - Wheat flour production in May was down to 16.9 million sacks, a drop of 3 million sacks of 15% from the April total of 19.9 million sacks, the Census Bureau reported.

The monthly grind of wheat also dropped from 42.7 million bushels in April to an estimated total of 36.3 million bushels in May, and offal production declined from 292,000 short tons to 248,000 short tons. The downward course of milling activity since February is the sharpest since the monthly survey was started in 1923, the Bureau said.

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From the New York Journal of Commerce, June 24 -

CUBAN 1947 SUGAR DEAL SEEN BLOCKED - Because of the prospect that CPA's power will be curbed by Congress and sugar prices will rise before the 1947 Cuban sugar crop starts to market, trade leaders were of the opinion at the week-end that this further possible insurmountable barrier may likely defer action on a contract between the CCC and Cuba for purchase of the 1947 sugar crop.

The prospect is that Cuba now will sell only the 1946 crop at the price of 3.67½c, that a decision on the 1947 crop, as previously had been proposed, will be put over until late this year.

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LACK OF OATS CURTAILS PRODUCTION OF CEREALS, Cedar Rapids, Iowa - National Oats Co. will shut down next Tuesday and Quaker Oats' Cedar Rapids plant will begin a curtailed schedule about the first week of July because of insufficient incoming shipments of grain spokesmen for the company said over the week-end.

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GRAIN PRICES HOLD IN LIGHT TRADING - Only a handful of traders appeared on the Chicago Board of Trade on Saturday and trading was at a near standstill with all oats, corn and barley deliveries holding at their respective ceilings.

There was nothing in the news which might tend to enlarge the trading volume and it was expected that the near stagnation will continue until the end of the month when the fate of the OPA will have been decided.

Traders viewed the estimated reduction in the fall pig crop as pre-saging reduced demands for feeding but pointed out that adoption of the Senate version of the OPA bill calling for removal of ceilings on livestock, poultry and dairy products while retaining grain ceilings would reverse such a trend and create an even tighter over-all grain situation than has existed during recent months. However, the folly of such action was being forcibly brought out by spokesmen for the trade and dependent industries and the belief was growing that the Senate measure would not be adopted.

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From The Kansas City Times, June 19 -

DROP IN HOG WEIGHTS-The high price of corn in relation to ceiling prices for hogs -- part of the administration's grain saving and livestock reduction program -- is resulting in the loss of a huge tonnage of pork at a time when meat supplies are far short of meeting requirements.

Average weights of hogs have been running below a year earlier for three or four months.

Excluding sows, the average weight at Kansas City last month was down to 231 pounds, 29 pounds under a year ago, and the lightest since September, 1944. At seven principal markets the average weight was 243 pounds, 20 pounds under a year ago, and the lightest since February, 1945. Average weights also were below the May, 1943 level, but heavier than in most other years since the 1934 drought.

On the basis of sows figured out, the high record at Kansas City was 260 pounds in May and June, last year. The peak at seven markets was 289 pounds in August, last year.

The peak at Kansas City this year was 242 pounds in February. The 7-market peak was 255 pounds in the same month.

The trade recalled that there was a drop in average weights in 1944 from the early 1943 peaks. In April, 1943, the Kansas City average reached 254 pounds the record to that date, but dropped to 224 pounds by November and was below a year earlier until late in 1944. At seven markets, the early 1943 peak was 250 pounds in April and May, followed by a drop to 215 pounds by October, 1943.

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From Chicago Daily Tribune, June 20 -

CHICAGO BEEF OUTPUT DROPS TO RECORD LOW-A Few Small Plants Forced to Close-Beef production in the Chicago area this week is at a record low level, industry spokesmen said yesterday.

For the first time in their history some slaughterers have been forced to close because they were unable to buy cattle. Illinois Packing company and H. Graver & Co., well established inspected plants in this area, were unable to operate this week. Siegel-Weller Packing company has been shut down for several weeks.

Other smaller packing interests, as well as Swift & Co., Armour & Co., and Wilson & Co., obtained only a trickle of low-grade stock not wanted by New York and other eastern packers.

The total purchased the first three days of this week by Chicago packers was only 13 per cent of that a year earlier.

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WHEAT HARVEST IS PROGRESSING; SOME OATS CUT-Harvesting of winter wheat continues to progress and is under way as far north as southern Nebraska and the Ohio valley, the weather bureau said yesterday. Some oats have been cut in Nebraska but are heading short in many sections of the central west.

The condition of corn ranges from generally good to excellent except in parts of the Ohio valley, where as much as 20 per cent remains to be planted because of excessive rains. Spring wheat has started to head and rain is urgently needed in some sections of North Dakota.

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From Chicago Journal of Commerce, June 19 -

WHEAT MARKETING-Editorial-New wheat is being harvested and some of it is reaching market to relieve the bread and flour shortages. How soon those shortages will disappear is a matter of conjecture, but a common prediction is that the bread lines will be gone in 30 days.

It all depends upon the wheat producer's willingness to market his 1946 crop. If he thinks he will gain by holding his grain, he will do so. Many such farmers believe that prices will go up if they wait; already a greater than normal percentage of wheat is being held back.

There are always those who will criticize the farmer for doing what everyone else is doing, but in the light of experience few in the farmers place would do otherwise.

The agricultural producers trusted the government officials who insisted that prices on the 1945 wheat crop would not go up, and paid for their credulity by selling at prices lower than those fixed by the government this Spring. A farmer, like anyone else, hates to be played for a sucker and doesn't want to be taken twice if he can avoid it.

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From The Times-Picayune, June 18 -

TEXAS FARM OFFICIAL CITES 'TERRIFIC SPREAD' IN PRICES-The same type of tomatoes for which Texas farmers get one-half to three-fourths of a cent a pound are selling in New Orleans for 20 cents a pound, J. E. McDonald, Texas commissioner of agriculture, said here Monday.

McDonald charged that a 25-pound watermelon brings the farmer in his state only 25 cents, while it is sold to housewives in cities like New Orleans for \$1.50.

He cited these figures to back up his demand for a "true parity," two-price marketing system for farmers in an address Monday before the Agricultural Export Transportation Clinic.

"The consumer thinks the farmer is getting rich," McDonald said, "never realizing the terrific spread between what the farmer gets and what food products are finally sold for."

He added: "Within the last six weeks I estimate that 1,500,000 to 2,000,000 bushels of Texas tomatoes rotted because the low selling price, lack of adequate rail transportation and high labor costs made them unprofitable to harvest."

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From The Democrat and Leader, June 17 -

BAN RURAL SHOP TALK-Editorial-As a government bureau which has interested itself in the radio needs of all Americans, the Federal Communications is concerned as to whether the farmers of the nation are receiving the type of air-wave fare they desire. At a recent hearing before the FCC on the clear-channel servicing of rural areas, some interesting facts were brought out concerning the radio tastes of urban dwellers and residents of the wide open spaces.

Hugh M. Beville Jr., director of research for the National Broadcasting Company, said that farm families and city dwellers differ little in radio program preference and not at all as to evening broadcasts. Both he and Elmo Wilson, director of research for the Columbia Broadcasting System, said the preferred evening listening of farmers as well as urbanites was to programs of news, comedies, commentaries and discussions of current events, dramatic presentations, quiz programs and musical programs of all kinds, especially of popular dance and familiar music.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, June 25 -

WORLD FOOD DRIVE HELD SUCCESSFUL-Washington-Chester A. Davis, chairman of the Famine Emergency Committee today hailed the successful end of the "short-term" campaign to feed starving countries overseas, but said that during the brief "breathing space" ahead, the "save-wheat" effort would continue. Mr. Davis told a press conference that the entire 6,000,000 ton goal set on wheat shipments for the first six months of this year would be on its way overseas early in July.

Between Jan. 1 and June 20, he said, 4,719,000 tons had been shipped; as of June 30, this figure will have been raised to 5,723,000 tons in port or en route and enough has been obtained to reach the goal of 6,000,000 without cutting into the proposed shipments on next year's crop.

Asked what the proposed OPA amendments would mean to the famine campaign in case they were such as to again foster feeding grain to live stock, Mr. Davis said that the committee had always felt it was vital to get a price relationship less favorable to the feeding of live stock.

Mr. Davis named the shortage of fertilizer as one of the greatest problems confronting food production abroad, and he said that the committee today started an investigation into the possibilities of converting closed munitions plants in Germany into fertilizer plants.

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MORE PACKING PLANTS CLOSE-Chicago-UP-Additional meat packing plants closed here today. Five more plants in the Philadelphia and Washington areas also shut down.

The plants of John J. Felin & Co. and Miller Bros. in Philadelphia closed, along with the Wilmington (Del.) Provision Company. The Meat Cutters Union in Philadelphia said that more than 1,000 workers were idle as a result of the shortage.

The big three of the meat packing industry, Swift, Wilson and Armour, reported total purchases of only eight head of cattle at the huge Chicago stockyards today.

The Union Stockyards received 10,000 cattle during the day but packers said they could bid for only the tiny number purchased and keep within OPA regulations or lose their Government subsidies. Farmers were asking far higher prices than they could pay.

Charles W. Kaizer, secretary of the Food Retailers of Greater Chicago, said that more than half the city's retail butcher shops were closed.

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CANADA'S FREIGHTERS RESUME LAKE RUNS-Toronto-The freighters of Canada's inland seas resumed their job of carrying grain, fuel and iron ore today as the Government took over fleets tied up by a twenty-six-day strike of seamen seeking an eight-hour day. The Office of Capt. E. S. Brand, controller of lake shipping, said that freighters were sailing as fast as crews could get aboard.

(Turn to page 2 for other items
in today's N.Y. Times.)

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From The New York Times, June 25 -

RAILCAR SHORTAGE CAUSES WHEAT GLUT-Kansas City-An acute box car shortage seriously hampered movement of the Southwest's wheat crop today as officials reported hundreds of small country elevators brimful and grain being piled on the ground.

The Santa Fe and Rock Island Railroads said 516 elevators were closed in Kansas, Oklahoma and Texas because cars were not available to clear the glut, termed even worse than a year ago.

The tie-ups are at small elevators where enough box cars are not available to transport the grain to terminal elevators, R. E. Clark, manager of the closed car section of the Association of American Railroads said.

Mr. Clark termed the situation worse than last year because box car loadings now were running 25,000 more than a year ago at this time. He expressed confidence that the wheat would be moved without serious loss.

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COTTON PRICES UP TO SEASONAL HIGHS-Reflecting the possibility of removal of price controls on cotton and cotton textiles, commission house and trade buying again carried cotton prices to new highs for the season and to net gains of 10 to 23 points on the New York Cotton Exchange yesterday.

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TRADING IN GRAINS CONTINUES DULL-Chicago-Brokers continue to await action by Congress on the Fate of the Office of Price Administration and trading in consequence remained slow on the Board of Trade today. Oats for delivery after August, and January corn sold at ceiling prices, and finished unchanged compared with Saturday, but there were numerous unfilled buying orders in all pits when trading ceased. Winnipeg rye was easy early but turned strong later and finished 2 to 4 5/8 cents a bushel higher, the latter of December which was up the 5 cent limit at one time, with all deliveries at a new high.

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MEAT SHOPS CLOSE: HEAVY RUN ON FISH-Half the retail butcher shops in the city remained closed yesterday and the others had almost no meat to sell. Poultry still available in some stores, continued to get scarcer and some fish markets ran out of supplies before the day's end because of heavy buying by housewives.

Most of the restaurants, however, from luncheonettes to steak houses, had a variety of meat dishes. A check of eating places in the Times Square area showed beef, pork, lamb and veal dishes in comparative plenty. It appeared as if few New Yorkers, except those eating in restaurants, would have any meat for at least a week.

The Department of Agriculture said that the local outlook for meat of all kinds was "worse than last week," when supplies reached a record low.

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BRAZIL'S PLANS FOR MEAT-Rio De Janeiro-Following the ultra-nationalistic policy that the Constitution now under discussion heavily emphasizes, a member of the National Trade Council, a Government body that reports directly to President Enrico Gaspar Dutra, will present Gen. Dutra's plans to nationalize all foreign packing-houses. These include Swift & Co., Armour & Co., and Wilson. The plan also calls for "meat industrialization." Inquirers were told that "nationalization" meant that all packinghouse firms must become exclusively Brazilian organizations.

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From the New York Journal of Commerce, June 25 -

FOOD RETAILERS HIT TRUMAN POLICIES, Chicago - Launching a double-barreled attack upon the Administration for allegedly subordinating the interests of small business and ineffective measure to combat inflation, the National Association of Retail Grocers today called upon "small business" generally to be guided "in this crucial election year" by the performances, and not the promises, of the nation's political leaders.

The retailers' national organization at the second general session of its 47th annual meeting also sharply assailed OPA administration of sugar rationing regulations. It charged that independent merchants are being harrassed while the violations of mass distributors are handled with great leniency and voiced the organization's "disappointment" over the President's veto of the Case Labor Disputes Bill.

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LAND BANK HEAD FINDS TREND TO INFLATION, Omaha - President Edwin N. Van Horne of the Federal Land Bank of Omaha declared today "we are witnessing the greatest inflationary trends in our history."

Moreover, the land bank president told National Farm Loan Association secretaries from four States, "the upward spiral will undoubtedly continue for many months and may last several years."

The land bank president urged his audience to fight inflation by encouraging ownership of farms, holding of United States savings bonds and waiting until industry gets full production before buying "things they can do without."

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VISIBLE WHEAT SUPPLY UP AS CORN STOCKS DECREASE, Chicago - Visible supply of wheat increased 201,000 bushels to 37,110,000 bushels this week, the Board of Trade reported today.

Corn decreased 1,970,000 to 17,965,000 bushels, oats decreased 668,000 to 3,196,000, rye decreased 97,000 to 255,000 and barley decreased 362,000 to 3,783,000.

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HOG MARKET - Salable hog receipts at Chicago yesterday of only 2,000 head were quickly taken at ceiling prices while 2,500 head went to packers on direct consignment.

It was generally expected that hog marketings will hold at a very low level until price legislation has been enacted.

Western receipts amounted to 26,700 head compared with 39,100 a week ago and 48,900 a year ago.

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U.S. "HELPLESS" TO EASE KENTUCKY MEAT SHORTAGE, Washington - An Agriculture Department official said today the Government "is helpless" to do anything about getting more meat for eastern Kentucky miners, who have been talking about a strike in protest against food scarcities.

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From the New York Wall Street Journal, June 25 -

INDIANA TOWN IN HOG GROWING AREA FINDS LIFE LEANER, COSTLIER, Crawfordsville, Ind. - Near the exact geographical median point of the nation's population, this Indiana town offers a good index of what's happened in the past five years.

Crawfordsville, the home of Wabash College, is also the seat of Montgomery County, one of the nation's leading hog producing and cattle feeding areas. For years its 12,000 residents have lived easily and graciously on literally the "fat of the land." Now it's getting a little leaner—and more expensive.

A good T-bone steak Sunday dinner at a local restaurant will cost \$1.50 now compared to \$1 before the war. A hair cut at the Bank Barker Shop or at Merle Weir's will set you back 65 cents now, instead of 50 cents and in some places 35 cents five years ago.

A night at the Crawford House hotel costs \$2.50 now compared with \$1.50 a few years back. This increase has caused a lot of resentment among the townspeople, since many of them went there as last refuge from the local housing shortage.

Town grocers, wilting before the onrush of housewives in search of bread, butter and meat, haven't much time to figure out how much their prices have increased over 1941, but a consensus seems to be around 20%.

A price list from one store gives an indication of current food costs in Crawfordsville: A pound of butter, 55 cents; bacon, 40 cents a pound; eggs 32 cents a dozen; flour, 60 cents for 10 pounds (if you can get it); five pounds of sugar for 35 cents; coffee, 33 cents a pound; a 10-pound sack of potatoes for 49 cents and sirloin steak, 39 to 41 cents a pound.

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FARMERS VIOLATING the "must sell" wheat order aren't likely to be prosecuted. This regulation requires that a wheat grower, within 15 days after he puts his grain in a public elevator, must sell half of it. Farmers are depositing their wheat in elevators--then just now showing up to sell when their 15 days expires. Nothing is done about it.

While Agriculture Department officials can't say so "on the record," they are content to let farmers wait until Congress settles the price control ceiling question. Once that's done, they believe, the grain will roll in, enabling them to quietly "dump" the unpopular order.

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COTTON EXPORTS this season will almost double last year's total. Indications are that shipments in the crop year ending July 31 will reach 3.5 million bales. This would be the largest export total since 1939-40, when foreign countries loaded up with 6.1 million bales of U. S. cotton as war clouds gathered. Last season's volume was only 2 million bales.

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WISCONSIN'S PEA PACK has been saved by zero-hour rains. Until about 10 days ago, when moisture came, it appeared the crop would be "disastrously short." The state accounts for between 30% and 40% of the country's total harvest of peas for canning. Wisconsin peas this season should total over 12 million cases. This would be well above the average yield.

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From The New York Times, June 23 -

WHEAT HOLD-BACK IN CHARGED TO OPA-Under the impact of rulings by the Office of Price Administration and other Government agencies, a confusing situation has developed in the nation's grain markets, with many wheat growers refusing to sell their cereal at the present ceiling. The result is that not only is the Government's export program being endangered, but millers are not able to buy enough wheat to meet anything like the normal domestic demand for flour.

The "sitdown" strike that is under way throughout the Wheat Belt stems in part from the order of May 22 by the Federal Government, which requires that the farmers who take any portion of their 1946 wheat crops to elevators or other storage facilities sell half of it within fifteen days at the ceiling, which is equivalent to \$1.98½ a bushel at Chicago.

Reports from the Wheat Belt indicate that a strong sentiment has developed against the order and in many instances the farmers are refusing to store their grain in public elevators. When they do store their wheat, most are demanding warehouse receipts for what they deliver and are refusing to sell.

The result is that a very small part of the present harvest so far is being moved through regular trade channels. In Texas, where the harvest is in, it is said to be almost impossible for the regular trade to buy wheat. However, a thriving black market has developed and the cereal is moving into channels which the orders issued by the Government were intended to prevent.

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From The Memphis Commercial Appeal, June 19 -

COTTON GIVEN RELIEF FROM SUBSIDY RUMOR-Washington-Widespread reports that the Agriculture Department is preparing to remove the cotton export subsidy were denied emphatically Tuesday by high ranking agriculture officials.

E. D. White, assistant to the administrator of the Production and Marketing Administration, admitted that the State Department had recommended discontinuance of the subsidy, but that he could see no reason for ending it at this time.

Mr. White said the State Department's recommendation was based on the grounds that Brazilian cotton prices had risen recently to the point to make the subsidy unnecessary for competitive reasons, but Mr. White said latest figures from Europe and Canada show the subsidy is still needed.

"The only thing that would make the Agriculture Department consider taking the subsidy off," Mr. White said, "would be for American and Brazilian prices to get about equal with indications that they would remain that way for a considerable time. That condition doesn't exist now."

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From The Baltimore Sun, June 23 -

HAY BALERS LYING IDLE-Scores of hay balers lie idle in farmers' fields because of inability to obtain bale wire or bale twine, it was learned yesterday.

Although Washington officials have been apprised of the situation little chance of early relief is seen by local distributors.

Farmers in desperation are offering four to five times what the coils of wire and spools of twine normally sell for. The threat of a black market is imminent.

A representative of a cord company described the shortage of bale twine as "terrific, because the entire industry will be short 1,000,000 pounds of fiber this year, largely because lend-lease has ended importation of much fiber available to British interests."

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From New York Herald Tribune, June 23 -

THE INTERNATIONAL FOOD COUNCIL-Editorial-The meeting of the new International Food Council will find some relief from what Dean Acheson, Acting Secretary of State, has called the "barren statistics of catastrophe" in Mr. Hoover's report on South America and in heartening crop forecasts here. Pledges from the Latin-American nations to increase their food shipments abroad offer substantial aid in bridging the gap between available supplies and the needs of famine areas in the critical summer months.

No more important task has been undertaken by the United Nations than this one of co-ordinating world efforts to combat famine. In case of any large-scale crop failures such as suddenly brought the threat of vast catastrophe last winter, the effective functioning of an international food agency will be imperative. If great good fortune brings bumper crops everywhere, the agency will still be needed to weigh world supplies against needs and pass on the information to producing nations so that they may guard against later overproduction.

At present the situation facing the Food Council is grave enough. President Truman, presenting the last quarterly report of U.N.R.R.A., emphasized that even the vast relief efforts of the last six months has been "too little and too late" completely to avert disaster. Because of the shadow cast by famine, the whole U.N.R.R.A. program, he said, has been "a bare and precarious basis for the ultimate recovery of the countries it has sought to aid." He urged that Congress immediately appropriate the remaining \$465,000,000 authorized for U.N.R.R.A. That action will give authority to his pledge, reiterated on the eve of the International Council meeting, that "whatever can be done by the American people and their government will be done" to remove the threat of famine from the world.

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From The Baltimore Sun, June 23 -

MEAT TASTY, BUT NOT ESSENTIAL, DOCTOR SAYS; EGGS, FISH WILL DO-The health of the nation will not suffer for lack of meat on the table so long as there is an adequate supply of sea food, poultry, milk and eggs, Dr. E. V. McCollum, professor emeritus of biochemistry at the Johns Hopkins University School of Hygiene and Public Health, said last night.

Dr. McCollum, well known as a nutritionist, was commenting on reports that the nation's supply of meat is lower than ever before in its history, and temporarily will continue to be restricted.

"Meat is attractive," Dr. McCollum said. "Almost everyone likes it. It is important both nutritionally and psychologically.

"But it is not essential. Sea food poultry, eggs and milk are adequate substitutes, from the scientific point of view. A meal of eggs may not be as appetizing and attractive to a man at dinner, but it will supply him with those nutrient elements which, in connection with others, are essential to his continued health."

Dr. McCollum, whose researches have taken him to Russia and to other nations abroad, said he would not go so far as to say that the health of the nation actually would benefit by many meatless days but he repeated that if proper substitutes were used no harm would result.

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From Wallace Farmer, June 15 -

HOW TO PUT YOUR MEAT IN A SACK-Editorial-BAE has been asking farmers what they thought of federal farm programs. This has been a useful guide to administrative action. But some of the answers farmers gave didn't suit some congressmen or some farm organizations.

Farm Digest 1375-46-6

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, June 26 -

OPA COMPROMISE MEASURE PASSED BY HOUSE, 265-105-Washington-The House approved a compromise price control extension bill today, 265 to 105, after defeating a new attempt to remove ceilings from meat, poultry and dairy products.

The measure, containing provisions which would necessitate price increases on many commodities, was sent to the Senate, where it was scheduled for consideration tomorrow.

SHORTAGE IN MEAT EXPECTED FOR YEAR-Chicago-Meat will continue extremely scarce at least for another year and probably longer unless last-minute action by Congress removes price ceilings from meats and livestock, spokesmen for Chicago packers and livestock raisers predicted today. Restoration of meat-price control in the Office of Price Administration Extension Bill was disappointing to all groups in the legitimate meat trade.

Should the bill become law, retaining the lids on livestock and meat prices, and incidentally on production, it will mean lower meat bills for consumers only because they will be able to buy less in the year ahead than they got in the last year, trade members predict. A much larger part of the meat they do find will be at black market prices, it was said.

SCARCITY OF MEAT HITS THE RESORTS-With New York hotels admitting they are without meat unless they buy it in the black market, the spreading meat famine now threatens the summer resorts. A check on North Jersey shore places yesterday showed that by the middle of July, if the meat shortage continues, there will be no more frankfurters or hamburger sandwiches.

FLOUR LACK TO CLOSE 400 BAKERIES HERE-Four hundred Jewish bakeries throughout the city will close indefinitely on July 8 because of the flour shortage, it was announced yesterday by Jacob Walters, executive secretary of the Specialty Bakery Owners of America, a trade association with a country-wide membership of 2,000.

Mr. Walters estimated that 2,000,000 persons would be affected by the shutdown and predicted that the other 600 retail bakeries in the five boroughs, which were not members of the association, also would close down about the same time.

"It is absolutely impossible for us or them to remain open," he explained, "since flour is positively unobtainable in New York except on the black market."

COTTON EXCHANGE VOTES TO CLOSE ON SATURDAYS-The board of managers of the New York Cotton Exchange voted to suspend trading in futures contracts on Saturdays in the remainder of June and through July and August.
(Turn to page 2 for other items in today's N.Y. Times.)

From The New York Times, June 25 -

BLAMES CONTROLS FOR FOOD SCARCITY-Chicago-Government control of goods in ample supply and restrictions on production of goods necessary to consumers was scored today by Representative Charles A. Halleck, Republican, Indiana, before the convention of the National Association of Retail Grocers. Such controls, he added, destroy the operation of open competition under free enterprise.

"We must strive to bring production up to a point where it can function unhampered by regimenting legislation and restrictions," he asserted.

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GRAIN UNAFFECTED BY OPA PROPOSAL-Chicago-Adoption of a compromise measure extending the life of the Office of Price Administration last night, although eliminating the possibility that grain would be decontrolled unless the bill proves unacceptable to either house, failed to have any material effect on the grain markets on the Board of Trade today. September and November oats dipped fractionally under the ceiling shortly after the market opened, but the loss was quickly recovered and closing trades were at the ceiling price, unchanged from Monday. No business was done in corn and feed barley futures, prices holding unchanged at the permissible maximum.

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BRITAIN AND U.S. PLAN TO REVISE STANDARDS FOR ACCORD ON YARD AND WEIGHT OF POUND-Cambridge, Eng.-British scientists are to enter into negotiations with United States authorities for an agreement on the pound (weight) and the yard. The modifications they propose represent the equivalent in the case of the yard of one thread in 300 yards of cloth. In case of the pound, the British would be decreased one ten-millionth of a pound and the American would gain that much.

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GERMAN FARM SURVEY EXPLAINED TO EDITORS-Berlin-A four power survey of the food and agriculture situation in all four zones of occupation in Germany is in progress and expected to produce valuable findings, twelve United States newspaper publishers and editors learned today in an intensive briefing of economic conditions in this country.

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U.S. HEADS WORLD FOOD COUNCIL-Washington-The United States was elected today to the chairmanship of the central committee of the newly organized International Emergency Food Council. The position will be held by Secretary of Agriculture Clinton P. Anderson, United States member. The vice chairmanship went to France, Eugene Demont being the French member. Each country will have one vote in proceedings of the committee.

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FRANCE TRIPLES TOBACCO DUTY-Paris-The Finance Ministry tripled the customs duty on imported tobacco today, increasing the tax on a package of American or British cigarets to 75 cents. Duties on cigars and bulk tobacco also were tripled. The charges apply only to gift packages because no American or British tobacco is imported for resale. Black market prices on American cigarets presently average about \$1.25 a package.

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From the New York Journal of Commerce, June 26 -

END HELD IN SIGHT FOR GRAIN FAMINE; SURPLUSES LIKELY, Washington - Despite numerous official statements to the contrary, the end of the world grain famine is now in sight and potential surpluses of grain in the United States are expected by the end of this year, it was disclosed today by a high Government official.

Food shortages will be confined to fats, oils and sugar, with the fats and oils to remain in sharply deficit supply through most of 1947.

Two basic factors have led to the conclusion that the grain crisis is over, the high official said: (1) Prospects for the new wheat crop are exceptionally good and (2) the Government relief export program will achieve its July goal.

On top of the prospects for another year of bumper crops comes the news that the British Government is about to conclude an agreement with Canada to purchase sufficient wheat in Canada to fulfill not only British requirements but also to supply Britain with a surplus for export to Belgium, Denmark, Holland and Norway.

Re-examination of requirements for relief, aside from those which will be met under the British-Canadian deal, have shown that the relief areas probably will not need more than 150,000,000 bushels.

In addition, some trade groups have come to the conclusion that maintenance of the 250,000,000-bushel figure means that the Department of Agriculture is unwilling to give up its role as exporter to the private trade.

In view of the new outlook, some Department of Agriculture officials now admit that WFO 144 may have to be considerably relaxed by early fall. Elimination of the set-aside entirely, if the wheat crop lives up to current expectations, and a lowering of the extraction rate for flour would be another result.

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COTTON RECORDS 30C BREAKTHROUGH - Cotton broke through the 30c level on the New York Cotton Exchange yesterday for the first time since the 1923-24 season. Closing prices, at highs for the day, were up 34 to 46.

Evidence of the optimistic sentiment prevailing throughout the market was also noted in the sale of five memberships in the exchange, four of them at high levels for the season.

The rise in prices was based on both Washington news of price control and on internal market factors. Foreseeing a free market for the first time in more than a decade, traders were reluctant to dispose of their holdings. It was believed generally that the President, on advice of Congressional leaders, would not veto the OPA bill as reported out of conference. The Taft amendment, using the prices of Oct. 1-15, 1941, as a base, and providing for inclusion of increased costs of manufacturers, processing and distribution, was interpreted as opening the door to realistic price levels, set by the free play of supply and demand.

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BUTTER PRODUCTION SHOWS INCREASE - Some encouragement is found in USDA report of last week's production, showing a 1 per cent gain for the country, which is not bad for this late in the month. Likewise, the loss from last year was cut to 32 per cent. Of course quantities available still are only a fraction of normal, but there is hope that the changed government pricing policies will spread the total milk supply more evenly among the various outlets.

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CALIFORNIA ORANGES TO BE SMALL AGAIN, Los Angeles - California oranges are going to be embarrassingly small. Packing house people say: "We used to kid about oranges being so small they'd fall through the sides of the crates. This year it's really happening."

Growers are scared. It's the third crop of unusually small-sized oranges in succession. And they don't know why.

Last summer they found an explanation: The crop was the largest on record. When production is large, sizes are usually small. But last winter this explanation began to falter. Although the navel orange crop wasn't very large, sizes of the oranges were small anyway.

The Valencia orange crop is estimated at only two-thirds of last year's record 83,500 carloads. Even so, the percentage of small oranges will be greater than last year.

Packing house employees don't like small oranges either. They can make more money on large sizes which pack quicker.

One strange, and to many growers ominous, thing about it all is that small sizes haven't hit all districts equally. There's nothing wrong with small oranges from the eating standpoint. But they are a marketing headache as housewives seem to prefer to shop for larger sizes.

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PENNSYLVANIA COURT EXEMPTS COOPERATIVES FROM STATE UTILITY LAW, Philadelphia - The Pennsylvania Supreme Court held that no matter how similar a cooperative and a public utility may be in fact, a cooperative is not a public utility law.

The court said it believed the state legislature intended to exempt cooperatives such as those authorized by the Electric Cooperative Corporation Act from jurisdiction and control of the Pennsylvania Public Utility Commission.

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ALL TOBACCO BRITAIN CAN BUY REPORTED USED FOR CIGARETTES, London - Britain is using for the manufacture of cigarettes every pound of tobacco she can afford to purchase, Sir Alexander Maxwell, chairman of the Tobacco Advisory Committee of the Board of Trade, told the annual conference of the National Union of Retail Tobacconists.

"There is no hope that the Treasury will grant us permission to use more dollars for the purchase of American tobacco so long as a shortage of dollars exists in Britain," he said.

The British Empire is not producing anything like the quantity of tobacco which Britain could consume, Sir Alexander stated.

Paris - The Finance Ministry tripled the customs duty on imported tobacco, increasing the tax on a package of American or British cigarettes to 75 cents.

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AGRICULTURE DEPARTMENT STUDIES CUT IN SUBSIDY ON NEXT YEAR'S COTTON, Washington - A reduction of the present subsidy of 4 cents a pound on cotton exported from the U. S. is under consideration by the Department of Agriculture. Cotton officials admit such a move is being studied but say that it would not become effective until after the beginning of the new cotton crop year on August 1, if then. The difference in price between U. S. cotton and that produced in Brazil and some other growing nations is now less than the 4 cents a pound being paid U. S. exporters.

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From The Kansas City Star, June 20 -

LITTLE WHEAT TO MILLS-A continued flour and bread shortage in the midst of a bumper wheat harvest is possible, the grain trade fears, unless Washington takes steps to unsnarl red tape which is slowing the movement of the wheat to the mills.

The picture shapes up like this on a survey just completed:

Farmers are taking their wheat to elevators in fair volume, but are selling very little of it, waiting to see if OPA extension legislation will give them better prices or remove ceilings entirely.

The recent 30-cent government bonus has led them to believe that such an inducement may be made again. Many are holding their wheat against such a price increase.

That is one reason mills continue to be down all or part of the time, despite the fact that the harvest is well under way.

The producer is even retaining as long as possible the half the government requires him to sell when he takes his grain to elevator or mill for storage. He hopes for some change in regulations which will allow him to make delivery today but set a future date of sale when he pleases, with protection against any increase after that.

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WEARY OF BREAD LINES-Kansas City housewives, though admittedly bewildered at the issues responsible for the bread shortage, today are pounding on their kitchen tables in anger and talking to neighbors from their back porches in their indignation.

The time lost in home baking and standing in line for hours to obtain bread at grocery stores and bakeries is the cause for much of the outrage. The shortage has become an inconvenience to all, and a hardship on many.

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From The Packer, Kansas City, June 15 -

SHREWD TRADERS-Editorial-In its potato support buying and sales to distilleries, the government is showing a shrewdness in trading which is far from typical of bureaucratic operations. The potatoes are being bought at \$1.75 per cwt. and sold to the distilleries as low as 50 to 55c, which at first blush looks as if the government is taking quite a loss. But the alcohol tax on the final product assures the United States Treasury of quite a profit.

These operations may make it impossible in most cases for holders of potatoes to sell to distilleries independently. Naturally the distilleries will be reluctant to buy at a higher price than that established by the government.

This is one of the penalties of government support programs. If the government buys, it must eventually unload its supplies on the market in some way or other which competes directly or indirectly with private marketing. This disadvantage may be more than outweighed by the fairly favorable support price which the government is paying on potatoes. But from the long-range standpoint, government marketing in competition with private enterprise would be an extremely undesirable development.

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From The New Orleans Times Picayune, June 22 -

FARM CO-OPS GET EXPANSION HELP-State College, Miss.-The State marketing commission has approved grants to aid aggregating \$67,000 for a series of projects considered at a meeting of the commission here yesterday.

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From The Memphis Commercial Appeal, June 20 -

COTTON CONSUMPTION GAINING AS STOCKS DECREASE-The latest cotton consumption report, with its sharp upturn for the month of May, indicates that use of cotton in the domestic mills may be in the neighborhood of 9,400,000 bales for the current crop year, something better than a half million bales more than the crop.

This extra amount of cotton comes from the surplus stocks, as does the 3,000,000 or more bales expected to be exported before Aug. 1.

All of which adds up to a large reduction in the carryover of cotton this year and the prospect that, unless a much greater crop than now expected is grown this year that there will be a further reduction of surplus in the 1946-47 season.

The 1945 crop was of extremely low grade and there has been difficulty in finding the quantities of the better grades desired by the mills, even when the Commodity Credit Corporation and other stocks were combed out. If the 1946 crop is not of better grade, mills may have to compromise even farther on their cottons than they have this year.

The reduction of the American surplus and the world demand for cotton have had their effect on the Brazilian market, with the result that prices there have advanced until American cotton, when the 4-cent subsidy is taken into consideration, is cheaper than Brazilian cotton. In other words, it is selling, with subsidy, at a level below the world price.

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From Chicago Daily Tribune, June 22 -

FORESIGHT-Editorial-President Truman has appointed Paul H. Appleby as acting director of the budget bureau, one of the most important posts in the federal service. A position of such responsibility calls for a man with financial experience, integrity, discretion, judgment, and foresight--especially foresight. What are we getting in Mr. Appleby?

Most of his experience has been in the department of agriculture. In 1942 he was chairman of an international wheat council created to form a 100 million bushel wheat pool for post-war relief. He participated in several international conferences on food problems. Presumably his judgment in this field should be excellent. What are the facts?

In August, 1943, when Mr. Appleby was undersecretary of agriculture, The Tribune warned against the use of wheat for fuel in Argentina and urged that it be purchased and stored there to meet post-war famine. Mr. Appleby replied in a scornful letter, printed by The Tribune, in which he asserted: "At the end of the relief period we shall still have in the world a substantial surplus of wheat."

As the result of his foresight, the government fixed the price of wheat so that hundreds of millions of bushels were fed to hogs. Millions of bushels were burned in Argentina with his approval. We now have a famine in Europe and Asia, and instead of the wheat surplus forecast by Mr. Appleby, we have a shortage so acute that housewives can't buy bread or flour.

It is hard to see how a man of such obvious incapacity for looking ahead should be deemed by the President to be qualified for the budget bureau directorship. Perhaps his record as the defender of Communists had something to do with the appointment.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, June 27 -

BUYERS' STRIKE DUE TO CUT LIVING COSTS, FIGHT FOOD RACKET - With meat virtually unobtainable in retail shops and poultry prices mounting in the black market, groups of housewives began preparations yesterday for a buyers' strike, aimed at forcing down cost of living prices.

Fighting the black markets in meat and poultry will be only part of the plan, according to Mildred A. Gutwillig, chairman of the New York City Consumer Council, who said the proposed boycott of certain commodities would be directed also against high prices for apparel, refrigerators, furniture, radios, and household wares.

The Council will call a meeting of representatives of the sixty-five consumer organizations affiliated with it to plan how to make the boycott most effective, Miss Gutwillig said.

Asserting that Congress had weakened the Office of Price Administration to the point that the agency could now make "only feeble attempts to curb inflation," Miss Gutwillig declared:

"A buyers' strike led by organized consumers and labor can be the strongest weapon against unbridled inflation and should be used in the interest of our national economy to bring stability and prosperity."

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COFFEE PRICE TO RISE 3 TO 4 CENTS TO ENCOURAGE PRODUCERS TO SHIP - Washington - Retail prices of coffee will be increased 3 to 4 cents a pound within a week to encourage shipment of green coffee from producer countries to the United States, the Office of Economic Stabilization announced today.

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CROPS IN UKRAINE IMPROVED LITTLE - Moscow - The prospects for the wheat crop in the Ukraine have not improved as much as was expected after the recent rains and the outlook there is "not too good," Marshall MacDuffie, chief of the UNRRA mission to the Ukraine, said today.

According to UNRRA estimates the winter wheat crop will not be 50 percent of the normal pre-war crop.

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WHEAT IS CHOKING GRAIN ELEVATORS - Great Bend, Kan. - Country elevators in the nation's bread belt were choked with wheat today as the 1946 harvest reached its peak with a shortage of box cars the main problem.

Nearly 300 grain elevators in Kansas, Oklahoma and Texas have all the wheat they can handle until the rail bottleneck is broken. In some instances grain was piled on the ground both at elevators and on farms because of the railroad car shortage.

There was hope that the transportation problem might soon be solved. An appeal by Gov. Andrew F. Schoeppel of Kansas that his State was facing critical spoilage of the new crop brought a promise of more railroad cars to move grain to larger terminals, which still have plenty of storage room. W. C. Kernall, executive secretary of the American Ass'n of Railroads, assured the Governor of at least 920 cars daily for the rest of the harvest season.

(Turn to page 2 for more items from today's N. Y. Times)

Farm Digest 1395-46

From The New York Times, June 27 (Cont.) -

PRICES OF COTTON CONTINUE TO CLIMB - Continuing its upward climb, the cotton futures market rose to new 23-year highs and to net gains of 41 to 51 points on active months. Following the lead on Tuesday of the New York Cotton Exchange, the Chicago Board of Trade yesterday ordered that Saturday trading in cotton futures on the Chicago market be suspended for the remainder of June and through July and August.

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OATS, RYE SELLING BRINGS PRICE DROP - Chicago - General selling developed in the deferred deliveries of oats on the Board of Trade today which carried prices off 1-1/4 to 2-3/8 cents from the ceiling price that has prevailed since early this month, and the finish was at the bottom. July was the only delivery that held the permissible maximum at the close.

Purchases of over 300,000 bushels of cash oats for deferred shipment from the country, the largest single day's business in a number of weeks led to commission house pressure and the demand was not as aggressive as recently. The break was helped along by expectations the Senate would adopt the compromise on the Office of Price Administration extension measure, which would leave it up to a special board as to whether price control of this grain should be lifted. Corn and feed barley futures closed unchanged with no sales reported.

Winnipeg rye futures closed weak and 4-5/8 to 5 cents lower on selling induced by reports that directors of that exchange at their meeting to be held later in the day would restrict trading in July to liquidation of outstanding contracts.

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U. S. ACTS TO BLOCK LUMBER RACKETS - Washington - Plans for a renewed and intensified campaign against illegal sales of lumber and building materials were revealed by the Government today.

Participating in the new drive, which is aimed especially at halting diversion of critical materials from veterans' housing needs will be the National Housing Agency, Office of Price Administration and the Treasury and Justice Departments.

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WORLD CURB ENDED ON HIDES, LEATHER - Washington - The Combined Hides, Skins and Leather Committee went out of existence today and immediately import controls and other distribution orders over all commodities under the committee's supervision were lifted by the Civilian Production Administration.

The fourteen-nation committee announced that it had agreed to end its activities at the close of business today and that all previous recommendations "are to be regarded as revoked."

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LISTS DONATIONS OF FOOD - Secretary of Commerce Henry A. Wallace, national chairman of the Emergency Food Collection, announced yesterday that partial reports show donations of 12,659,040 cans of food during the recent drive on behalf of the United Nations Relief and Rehabilitation Administration. More than half of the 4,967 local committees have not yet sent in totals, he noted.

From the New York Journal of Commerce, June 27 -

INTERIM CREAM PRICE RISE GRANTED MIDWEST, Washington - Rounding out the milk price increases on dairy products required by the recent directive from the Office of Economic Stabilization, the Office of Price Administration today announced interim increases in distributors' and retailers' ceiling prices of cream in the mid-west Federal marketing areas where the price of fluid milk was raised on June 18.

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UK-CANADA WHEAT DEAL SIDETRACKED, Ottawa - A proposed long-term, low-price wheat agreement between Britain and Canada has been sidetracked because of United States opposition, it was learned today.

It was understood that Britain and Canada at one stage had considered a 10-year agreement under which Britain would buy wheat at \$1.25 Canadian (\$1.13 United States) a bushel. The current Canadian price is \$1.55 and the American and world price is approximately \$2 Canadian (\$1.80 United States).

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WORLD SUGAR QUOTAS - World sugar allocations of 11,809,000 short tons, raw value, made by the Combined Food Board on May 1, have been revised downward by 500,000 tons because of reduced crop estimates. However, actual reductions in allotments to the consuming countries will be reduced only 2 per cent or 220,000 tons. The remainder of 280,000 tons will be supplied by cutting into year-end carryovers.....Eastern refiners' allotments for export in the third quarter have been cut by 35,000 tons in favor of shipments from the West Coast, but the Eastern refiners will be given an equivalent amount for domestic market.

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MARKETS - Record low in hog receipts readily cleared....All live poultry averaging higher....Further increase in dressed poultry prices....Most vegetables showing poor quality....Blueberries lower...Consumer grade A eggs get higher ceilings today....Little change in butter, cheese supplies.

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From the New York Wall Street Journal, June 27 -

ARMOUR'S NET FOR SIX MONTHS EXCEEDS PROFITS FOR 1945 FISCAL YEAR, Chicago - Armour & Co.'s net earnings for the six months ending April 27 amounted to \$9.7 million, more than the net for the entire fiscal year of 1945. For the fiscal year ended last October 27, the company and its subsidiaries reported a net profit of \$9,172,538 after charges and taxes. This was announced yesterday by George A. Eastwood, Armour president.

"Earnings for the first six months of this year," Mr. Eastwood said, "should not be considered as indicative of the probable income of the average weekly rate of income for the fiscal year. This is particularly true in view of situation in which Armour & Co. and all law-abiding packers find themselves as a result of the almost complete absorption of cattle supplies of the black market. Unless there are changes in Government regulations which now prevent us from buying cattle in numbers adequate for our needs, it is conceivable that our earnings in the second six months will not approximate those in the first."

(For other items from the N. Y. Wall Street Journal turn to page 4)

Farm Digest -1395-46-3

From the New York Wall Street Journal, June 27 (Cont.) -

GRASS FED LIVESTOCK DEMAND UP SHARPLY IN OKLAHOMA AND KANSAS, Kansas City - Demand for grass fed livestock has stepped up sharply in the big Oklahoma and Kansas pasture country.

Where it has been the custom for cattle feeders to make contracts late in the summer for fall delivery of calves and yearlings for their feed lots, a great many deals are reported to have been made already.

The cattle feeders are not the only buyers wanting cattle. Men operating slaughter houses are by-passing their usual custom of waiting to bid on the central markets when the movement of grass fat cattle opens up in July.

Now they are sending their buyers into the ranch country.....The cleanup of cattle supplies in the pasture area is being done at prices considerably stronger than a year ago. Contracts, it is said, for slaughter cattle of better quality, were being written at 15 cents to 16 cents a pound. A considerable quantity of the grassers is destined to move direct to slaughter in New York.

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FLOUR SALES DECLINE, MILLS LESS BUSY WHILE NEW WHEAT FLOODS MARKET, Kansas City - Flour sales, which usually expand with the rush of new wheat to market, have tapered off further to an extremely small volume. Average sales by mills in the Southwest were barely 20% of capacity, compared with 40% to 50% in the previous week, and 40% to 45% last year.

The trifling run of business was no barometer of the demand from bakers, jobbers and every other class of trade.

New wheat is pouring into terminals and sub-terminals of the Southwest. The movement is developing from an ever widening territory as ripening wheat enables combines to enter fields, now as far north as southern Nebraska. Despite heavy marketings, insignificant amounts of wheat were being sold. Only 10% of wheat delivered by farmers to country elevators represented grain available for merchandising or sale to mills; after set aside for the Commodity Credit Corp. In other words, only about 100,000 bushels out of each 1 million bushels hauled from the farms.

The distinct change in farmers' attitude toward selling of wheat is a result of awaiting disposition of price control legislation in Congress. Some farmers hope that Washington will provide guarantees to producers against subsequent advances in ceilings.....

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From the Baltimore Sun, June 27 -

MILK DUMPED IN FARM STRIKE, Plymouth, Ohio - Dumping of milk was reported in Huron country today as the Ohio Marketing Quota Protest Association struggled to curtail the food supply of this State's 7,000,000 inhabitants.

At Wellington, in Lorain county, twelve dairy farmers informed the Telling-Belle Vernon milk depot that they would make no more deliveries.

Elsewhere citizens had not yet felt the impact of the farmer strike called by the protest association as the climax of dissatisfaction with the CPA and governmental agricultural policies.

Chairman H. H. Fackler said perhaps two days more would be needed to produce a noticeable food shortage.

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From The Kansas City Star, June 24 -

FOOD ANGER RISES-(INS)-People were pretty well fed up with the shortage of food, particularly meat, today. In at least three states organized groups threatened to do something about it.

Coal miners in Illinois, Kentucky and Pennsylvania threatened to strike for a "full dinner pail."

But the American Meat Institute, spokesman for the packing industry, flatly announced that this week will be worse than last, when beef production was 90 per cent below the same week a year ago.

The institute blamed OPA controls for inability of legitimate packers to purchase beef animals, and in a formal announcement stated that there will be little or no "honest" beef this week.

Packers blamed farmers, accusing them of holding livestock in the hope of getting better prices if OPA controls are removed.

Farmers and packing house employees accused the packers of holding down production to "pressure" Congress into ending price controls.

However, regardless of who was to blame, there was little or no meat in legitimate butcher shops throughout the nation, a survey by International News Service revealed.

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From The Kansas City Times, June 24 -

HARVEST ROLLS ON-With a steady improvement in the outlook in the last thirty days, the Kansas wheat harvest will be in full blast this week. The yield is expected to run close to last year's total, the second largest in the history of the state.

Harvesting is general over about two-thirds of the state. The remaining fields, in the northern tier of counties and some counties of the northeast section, are expected to be opened by the end of this week. There are predictions that the yield will go to 200 million bushels, only about 7 million bushels under last season.

Rains in the closing days of last month revived prospects after a 30-day drought that had brought official estimates on this year's crop down to 168,048,000 bushels. On the strength of the rains the estimate was boosted June 15 to 199 million but early reports from the harvest fields indicate that the final figure may exceed the last estimate.

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From Watertown (N.Y.) Daily Times, June 20 -

RED PROPAGANDA AND FAMINE RELIEF-Editorial-Those Americans, who despite all the evidence of the need, oppose shipment of American food to Europe, are unwittingly playing the Russian game, as Herbert Hoover points out. One hears men, who should know better, saying that American food shipped to Europe is going into the black market, that it is being used to feed Yugoslavian armed forces and that some Europeans are eating better than we are. Even certain radio commentators, who should have a higher sense of their responsibilities, are telling us about the fine dinners they had in black market restaurants in Paris and Vienna.

This follows exactly the line of Russian propaganda insiduously spread by Communistic publications throughout the world. These publications are saying that the workers of America are being deprived of bread to build up imperialistic aims abroad. Russia is fighting the famine relief campaign everywhere. The reason is easy to see. Communism thrives on starvation. Keep the people of Europe on a famine diet and there is always a fertile field for Russian propaganda.

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From Chicago Journal of Commerce, June 22 -

FOOD PRICES-Editorial-Food prices in a free market would mean a terrific increase in the cost of living, OPA's advocates continue to tell the people. But evidence in refutation of this propaganda can be found daily at the groceries.

The prices of such items as plums, cherries, potatoes, cantaloupes, lettuce and other fresh produce in Chicago have been fluctuating within OPA ceilings. When they went too high the customers bought something else. Sales fell off and prices went down.

Lettuce and cucumbers for a while were priced at more than most shoppers would pay. Now the prices are in line with the average budget.

Controls were removed from strawberry preserves and the prices went to \$6 a dozen jars wholesale. Demand, which is largely from industrial users, wouldn't sustain that figure and now the price is \$4 a dozen.

Food is one subject from which the price controllers should shy in their arguments, although, because everyone eats, it is an attractive topic. But there is such a wide variety in food, and substitution of one item by another in the family's diet is so easy, that there cannot be the "holdup of the consumer" which the OPA's friends insist will be certain when the controls go.

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From The Memphis Commercial Appeal, June 22 -

LABOR SHORTAGE AIDS FARM MECHANIZATION-The shortage of labor in the cotton land of the South is stimulating the turn to mechanical farming more than any other thing, leaders in the farming areas agree. At the same time they point out that it is creating no problem of excess population. The mechanized methods being introduced today are not driving the workers from the farm -- they are replacing the worker who already has gone.

In the intermediate period, while the transition is being made, there are some hardships involved. Farmers who have, or who can be assured of mechanical equipment, are not deeply concerned. Those who have been unable to get the equipment have been hard hit because manpower is the first essential of the old type of farming. If any labor has been supplanted on one hand, it has been absorbed on the other -- if it has not migrated to the city or to the North.

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From The Davenport (Ia.) Democrat and Leader, June 20

NEED TO FIGURE COST OF FEED MORE CAREFULLY-Ames, Ia.-Iowa farmers are finding food costs and livestock prices coming closer together, reports Lauren Soth, Iowa State college farm economist, and they are realizing that closer figuring is needed to maintain livestock profits.

Soth points out that the time is past when farmers can pour grain into stock without thinking of the cost. Altho all feed costs are up, some feeds are more expensive than others.

Average prices and average feeding values show that corn still is about the cheapest grain feed. On a ton basis, for example, oats cost the farmer \$3.50 more than corn but are worth \$6.70 a ton less to feed. Wheat and rye also are considerably more expensive to feed than corn.

Among high-protein feeds, linseed meal appears to be somewhat cheaper in relation to feeding value than soybean meal. Where available, tankage is cheap compared with either linseed meal or soybean meal.

Soth points out, however, that the cheapest of all feeds is hay. The use of a maximum amount of hay in livestock rations will do the most to cut costs, Soth concludes.

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Farm Digest 1395-46-6

DAILY FARM NEWS DIGEST
(For June 28, 1946)

U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From the New York Times, June 28

6-MONTH GOAL MET IN FAMINE RELIEF, PRESIDENT REPORTS-Washington-President Truman reported broad grain shipments by the United States of more than 5,500,000 tons during the first half of 1946 as a successful record of famine emergency relief of which the nation could be justly proud, but warned that the crisis was not over and called for continued sacrifice "during the coming months of hunger abroad."

In a prepared statement which he interpolated briefly for his news conference, the President said the national half-year goal of 6,000,000 tons of wheat and other bread grains shipped abroad will have been met in another three weeks. A report to the President of actual shipments since Jan. 1 placed the amount at 5,500,500 tons.

"The very fact that housewives today often find it hard to buy a loaf of bread is evidence of the success of our famine emergency program," the President said. "The loaf of bread and the bag of flour that they don't buy mean that much more for hungry children abroad."

The President attributed the successful record in famine relief to the cooperation of Americans in conserving bread at home and in public eating places, large production by American farmers, cooperation of millers, bakers, and the united efforts of the Famine Emergency Committee and the various agencies of the Government.

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SENATE LIMITS OPA DEBATE; VOTE LIKELY TODAY-Senator W. Lee O'Daniel, Democrat of Texas, gave up his attempt to talk price control out of existence early this morning.

He agreed to majority Leader Alben W. Barkley's request for unanimous consent to limit further debate on the compromise price control extension bill to one hour for each Senator.

The end of the filibuster made it virtually sure that the Senate could reach a vote when it reconvenes at 11 a.m. Favorable action would send the compromise measure, extending the Office of Price Administration for a year, to the White House.

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PACKERS' SUPPLIES ONLY 10% OF NORMAL-Chicago-A summer meat famine appeared certain today as packers' supplies hit a low of 10 per cent of normal and half of the country's butchers closed their doors. The only bright spot in the summer meat picture was the possibility of a brief splurge on meat counters after a decision on price ceilings.

A survey by the National Retail Meat Dealers Association showed that more than half of the 58,000 members had closed their shops. George Dressler, executive secretary, said the release of cattle held in feed lots awaiting a decision on price ceilings probably would bring some supplies to market after next week, but that an average amount of meat would not reach the consumer "until about September."

(Turn to page 2 for other items
in today's N.Y. Times.)

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From The New York Times, June 28 -

HOUSE VOTES TO REFUSE RELIEF TO COUNTRIES BARRING PRESS-Washington-By almost 3 to 1 the House tentatively approved today a proposal to ban the use of any funds from a \$465,000,000 international relief appropriation in countries which deny American news men free access to write uncensored stories about how the relief supplies are being distributed.

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RATIONING OF BREAD DECREED IN BRITAIN-London-Great Britain is taking the most serious of all food measures and, starting July 21, is going to ration bread, it was announced in both Houses of Parliament today.

The ration will be a relatively generous one of nine ounces of bread daily for an adult, with extra amounts for 12,000,000 manual workers and for adolescents, so that there is no question of Britons going hungry.

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COTTON PROCES UP BY 40 TO 54 POINTS-Cotton traders on the New York Cotton Exchange experienced yesterday the most violently fluctuating market in two years, with closing prices 40 to 54 points above the previous closing levels.

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OATS TALLY GAINS IN NERVOUS TRADE-Chicago-Oats fluctuated in a nervous manner on the Board of Trade today with the deferred deliveries up $1\frac{1}{2}$ to $2\frac{1}{4}$ cents a bushel at one time, with all deliveries except November and December selling at ceiling prices, but the finish was on a reaction from the top with gains of $\frac{3}{4}$ cent to $1\frac{1}{8}$ cents except on July, which was unchanged at the permissible maximum.

No sales of corn and feed barley futures were reported, with the finish unchanged at the ceiling. Winnipeg rye was 5 cents lower, the limit, on July and up a like amount on October and December. The Board of Governors of the Canadian Exchange took no action at their meeting yesterday to restrict trading in July.

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DAIRY PLEA DELAYS PLAN TO LIMIT CREAM-Washington-Chester W. Bowles, economic stabilization director, today instructed the Agriculture Department to withhold until July 15 an order of limiting distribution of cream by creameries and dairy processors.

The order, which Mr. Bowles directed the department to issue, is designed to divert more cream into the production of butter. In disclosing the latest action, aides of Secretary Anderson said Mr. Bowles was influenced by pleas of the dairy industry for an opportunity to show that recent adjustments in cream and butter in themselves would get the desired results. Those adjustments included increase in butter price.

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From the New York Wall Street Journal, June 28 -

REFRIGERATOR CARS RUSH MORE CALIFORNIA CROPS EAST; CAN'T MEET NEEDS, San Francisco - Western railroads' battered reefer fleet in highballing faster than ever before—but not fast enough.

The long trains of refrigerator cars, which carry California's fruits and vegetables across the continent, this year are hauling a fifth larger tonnage than in 1940 with 5% fewer cars. So far in 1946 they've transported 6% more volume than in the first half of 1945, the record year.

For eastern consumers, that's good. There'll be plenty of fresh California fruits and vegetables for them.

Railroads say, however, that only slightly more than three-fourths of shippers' needs for cars can be met in 1946.

For western farmers, that's bad news. It means dumping part of the crops on local markets at cut-rate prices and losing some by spoilage in the fields.

There are two reasons for this prospect. One is the shortage of equipment; few new cars were added during the war. The steel and coal strikes have prevented normal postwar replacements and slowed repair work. But at even more important cause is the bumper crops which California is gathering this season.

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NICKEL CANDY TO STAY ON MARKET BUT 5-CENT BAR WON'T BE AS BIG, Chicago - Junior soon may get a smaller bar of candy for his nickel, but there's a good chance he can get more jelly beans and penny items.

There will be more ten-cent bars to choose from. That's the way candy manufacturers, in Chicago this week for the first post-war convention of the National Confectioners' Association, size up the situation.

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THE STARVING CHICKENS, Editorial - President Truman wrote to Senator Tobey: "It is a matter of chickens or people and if it comes to a decision as to which should be kept from starving naturally, if I make the decision, it will be the people.

All of this is unexceptionable so far as it goes. The difficulty with the statement is that it neglects too much. A choice between chickens and people was not something that was inevitable; it was no "act of God". It was the result of an exercise of government controls over which Mr. Truman had jurisdiction.

The State of New Hampshire, which Senator Tobey represents, has been at some pains to build up a poultry industry. It has attained some rather notable success. Much of the feed for this poultry is raised in the Mid-West grain areas.

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W.T. GRANT PREDICTS END OF BLACK MARKETS IN A YEAR - A flood of consumer goods which will wipe out the black market within six months to a year was predicted by W. T. Grant, founder of the variety chain store company bearing his name.....The retail executive said the period during which the customer has been forced to buy overpriced, poor quality goods has been prolonged by regulations restricting production. "But the customer's day is coming," he added.

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From the New York Journal of Commerce, June 28 -

TRUMAN ENDORSES PROGRAM FOR NEW-CROP WHEAT BUYING, Washington- President Harry S. Truman asserted today that the crisis in grains is not over and endorsed plans of the Secretary of Agriculture to acquire wheat for export from the 1946 crops.

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CARLOADINGS SHOW DROP OF 1.1 P.C., Washington - The Association of American Railroads reported today that 858,437 cars of revenue freight were loaded during the week ended last Saturday.

This was a decrease of 9,481 cars, or 1.1 per cent, compared with the preceding week, a decrease of 18,266 cars, or 2.1 per cent, compared with the corresponding week a year ago, and a decrease of 21,874 cars, or 2.5 per cent, compared with two years ago.

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NEW CEILING SPEEDED FOR IMPORTED LEATHER - Ending of international hide controls will be followed within the next 48 hours, with issuance of a new OPA price ceiling on imported leathers, it was learned yesterday.

The price agency is speeding action on the regulation which will apply to purchases for use as well as for resale. This step is being taken because price control over imported leather is held essential as long as domestic leather is subject to ceilings.

In addition, OPA will study the question of adjusting price ceilings on leather made from foreign hides and leather, the Tanners' Council said yesterday.

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CONTROLS EASED FOR COTTON TEXTILE EXPORTS, Washington - The Office of International Trade, Department of Commerce, today drastically revised the system of licensing exports of cotton fabrics in a move described by officials as "one step in the direction of decontrol."

The new system, which is designed to reduce the amount of paperwork involved in export licensing, will:

1. Permit exporters to obtain a license to export a given amount of cotton piece goods during the quarter and this license may be used to obtain any of the materials for which the Civilian Production Administration has established export quotas and set-asides.
2. Require the exporter to apply for licenses for a country sub-group of the Group K countries rather than for each individual country.

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TEXTILE MARKETS WAIT ON OPA FATE - All attention in the gray cotton goods market was centered yesterday on Congressional debate over the extension of OPA. From one end of the market to the other, sales were completely withdrawn as producers awaited the outcome to be effective on Monday.

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SUGAR DISTRIBUTION - A meeting of sugar men with Government officials was held in Washington yesterday at which was discussed the plan to move surplus beet sugar supplies into the deficit Eastern market.

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From St. Paul Pioneer Press, June 25 -

FARM INFLATION HERE, GETTING OUT OF HAND, U.S. OFFICIAL WARNS-Omaha-(AP)
J. R. Isleib of Kansas City, deputy commissioner of the Federal Land Bank system, said Monday "inflation in farm real estate prices is here and in some regions the situation is getting out of hand."

"Land prices are following a spiral upward almost identical to the climb during and after World War I," Isleib said at a meeting of national farm loan secretary-treasurers from Iowa, Nebraska, South Dakota and Wyoming.

Urging farmers to prepare not only for a breakdown in farm land values but also in farm commodity prices, the land bank deputy listed these factors:

1. Foreign countries will increase their food production, lowering demand for U. S. produced food. 2. Farm production in this country will increase "and any decline in the purchasing power of our population will be reflected in lower prices for the increasing supply of farm products." 3. There is no assurance that congressional commitments to support farm commodity prices "will continue indefinitely." 4. Farm costs are rising and are not likely to decline as fast as prices, "with the results that net farm income may be reduced materially when the price decline begins." 5. The ever-present possibility that the volume of farm production, dependent on such unpredictable factors as weather, will fall off.

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From Prairie Farmer, June 22 -

FARM LEGISLATION IN PIGEONHOLES-The bulk of the proposed farm legislation won't be passed this year. Congress is itchy to adjourn, and probably will in August though Administration wants a session long enough to salvage more of its legislative program.

The marketing agreement amendment to the AAA Act of 1938 is the surest of any of the major farm bills to make the grade during this session. It might be useful to potato growers this year, and later to fruit and vegetable producers. The amendment permits marketing agreements regardless of whether prices are above or below parity.

Prospects for basic legislation for Farm Security administration are dwindling. The Farmers Home Corporation plan, changed by the Senate Agriculture committee to the "Bankhead plan," hasn't reached the Senate floor.

Major general bills of interest to agriculture marked for holdover: The Missouri Valley Authority, health insurance, minimum wages, federal aid to education.

The proposed amendment to the Packer and Stockyards act is put off to next session, but amendment of the Insecticide act of 1910 is likely. Extension of Land Bank commissioners' loans for five years is probable, but without power to Farm Credit administration to make loans except by specific congressional authority.

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From Watertown, (N.Y.) Daily Times, June 25 -

MILK STRIKE SHADOW BOXING-Editorial-Milk producers in this section will not be surprised to read that a threatened milk strike set tentatively for July 1st has been deferred. There was never any demand on the part of any substantial number of producers for such a strike. Rather farmers saw in it an inspired movement with a political object.

Scratch beneath the surface of this strike agitation and one finds dealer opposition to price control. We do not charge that cooperatives with dealer connections fostered the strike movement but it is passing strange that most of the warnings of the possibility of such a strike came from spokesmen of this group.

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From The Boston Herald, June 26 -

THREAT TO NEW ENGLAND-Editorial-If President Truman had taken the trouble to ask for the facts and figures about the food situation in New England, he would not have written his ill-tempered note to Senator Tobey of New Hampshire, scolding him because of his demand for an increased supply of grain, and advising him to cool off. The shortage of feed for New England herds and flocks is serious. If it is not remedied soon, it will become desperate and even disastrous. If officials in Washington who could immediately provide aid take their cue from the scoffing President's negative note to the Senator, New Englanders will wonder whether the six states should not become beneficiaries of UMRRA.

Does the President realize that agriculture is the third most important means of livelihood in New England? Has he been informed that its principal divisions are dairying and poultry? Can he not comprehend that New England is at the end of a long haul from the chief grain-producing centers, that we are dependent on feed shipped to us, and that if he and the officials responsible to him continue their present carelessness, inefficiency and indifference, this whole section will suffer grievously.

New Englanders do not ask to have relief to starving people abroad curtailed. New Englanders are not asking for special privilege. They do expect, however, that the President and the Department of Agriculture will study the facts and consider our plight more sympathetically than the President has chosen to in his ill-advised note to Senator Tobey.

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From The Davenport, (Ia.) Democrat and Leader, June 25

REPORTS SPRING PIG CROP SAME AS LAST YEAR; EXPECT 20 PER CENT FEWER FALL PIGS-A 1946 Iowa spring pig crop of 11,758,000 head or approximately the same as last year and an intended reduction of 20 per cent in sows to farrow this fall was reported by Leslie M. Carl, agricultural statistician for the Federal-State Crop Reporting service. Carl's estimate, based on returns from nearly eight thousand Iowa farmers secured thru co-operation of the postmasters and rural mail carriers indicates farrowing of 1,787,000 sows during the six months ending June 1, 1946. This is a reduction of four per cent from the number of sows farrowed in the spring of 1945, and also a four per cent cut back from what farmers had intended to farrow when they reported last December. However, the decline in the number of litters was offset by an increase in the average of pigs saved per sow. The reported figure at 6.58 pigs per litter is highest in the 23 years of record and compares with a litter size of 6.34 pigs in the spring of 1945. Weather during the heavy farrowing months of March, April and May was unusually favorable for saving most of the pigs. Temperatures for March and April were well above normal and there was only one brief cold spell. In addition pastures came on early providing green feed and farmer's were able to give their stock a little more attention since field work was ahead of normal all during the spring.

On the basis of June intentions farmers of the state are planning to farrow 633,000 sows between June 1, and Dec. 1, this total is only 80 per cent of the 791,000 sows producing pigs in the fall of 1945 and would be the smallest number of fall sows since 1940.

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(For July 1, 1946)

OFFICE OF INFORMATION

Washington 25, D.C.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, July 1

CONGRESS PONDERES REVIVING CONTROL AS OPA LAW DIES-Washington-As the Office of Price Administration went out of existence at midnight with the country in a state of confusion over expected increases in the prices of commodities and residential rents, there was disagreement in Congressional circles as to whether or not a new control law could be enacted.

The House is scheduled to vote today on the question of suspending its rules and acting upon a joint resolution which would revive the OPA for twenty days while Congress fashioned a new law.

Administration leaders were confident that they could get the resolution through the House. They were not so sanguine of its chances in the Senate. Senator W. Lee O'Daniel, Democrat of Texas, who conducted an unsuccessful filibuster against passage of the bill which President Truman vetoed on Saturday, announced that he would filibuster against any joint resolution or against any new legislation for the OPA.

At the White House, a Presidential secretary, Eben Ayers, disclosed that more than 2,500 telegrams have reached President Truman since he spoke Saturday night explaining his veto of the Price Control bill. The messages, Mr. Ayers said, were running "fifty-to-one" in support of the Chief Executive's stand.

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CANVASS OF NATION SHOWS PRICE RISE-The prices a man pays for bread and butter, a roof over his head, the shirt on his back, harnessed three years by Federal controls, were cut loose today to set their own pace.

A canvass of the nation by The Associated Press as the Office of Price Administration expired at midnight brought these early trends in the dramatic situation which some predicted would end in ruinous inflation; others in a return of the old days "with plenty of everything at a fair price":

Meat industry spokesmen predicted a 10 percent increase in meat prices, or 5 cents a pound.

A jump of 2 cents a quart was forecast in dairy quarters.

However, one of the nation's largest food chains, the A&P, announced that "prices in all our stores will show no increase Monday."

Many sources predicted no immediate change in the price situation pending further Congressional reaction to President Truman's veto of the OPA extension bill.

Others predicted that prices, after a brief flare-up, would subside but to levels considerably higher than existing OPA ceilings.

Although sugar rationing will continue, sugar trade officials in Washington said an immediate increase in the sugar price was certain.

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SHORTAGE IN FATS SEEN FOR ANOTHER YEAR-Chicago-There was little change in the cash lard and fat situation last week, the run of hogs being extremely small, and further call was made on reserve supplies to meet the demand. The latter continues very active at ceiling prices and packers have been unable to take care of all buyer's needs because of the abnormally small output. The outlook for the supply of fats and oils for the 1946-47 season is not regarded as overly promising and shortages are expected to continue for at least another year.

(Turn to page 2 for other items in today's N.Y. Times)

Farm Digest 1415-46

From The New York Times, July 1 -

PRICES FOR COTTON SET 23 YEAR HIGHS-Cotton prices in the domestic market rose last week to the highest levels since the 1923-24 season. At the close of trading on Friday, active futures contracts on the New York Cotton Exchange showed net gains of 136 to 161 points.

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WHAT SHOULD CONGRESS DO?-Editorial-Even if all the astonishing economic arguments in the President's message rejecting Congress's extension of price control were to be accepted, his veto, in face of the plain warnings of his own party leaders, must still be regarded as a reckless act. He was warned that Congress would sustain his veto. He was warned that it was wholly unlikely to give him the sort of carte blanche extension for which he asked. He must have known that he was going to leave the country, at least for a time, without any price control law at all. He could hardly have weighed the economic consequences of this, considering the matter from his own point of view. Every day without price control must multiply the difficulties of returning to an orderly price control.

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PRICE SPREE BARRED ON FOODS FOR RELIEF-Washington-The Agriculture Department served notice tonight that it would engage in a bidding spree on the market in attempting to obtain wheat and meat for famine relief.

It announced tonight, in clarifying its programs affected by expiration of OPA, that it would pay no more for those vital food commodities than ceiling prices in effect today.

This was interpreted as meaning the Government does not intend to lend support to a bullish, or rising market.

In the same order the Government suspended its wheat and meat set-asides orders, pending "developments and clarification."

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REPORTS INDICATE SOVIET CROP RISE-Moscow-The general prospects for the wheat crop in the Soviet Union are good, despite the periods of drought in the southern Ukraine and around Moscow, and it is believed that the Soviet Government will receive more wheat from the farms this year than it did in 1945.

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UNRRA WON'T FEED NON JEWISH GROUPS-Berlin-Tacked inconspicuously on the end of a directive of the United Nations Relief and Rehabilitation Administration, issued today by the headquarters of that organization, is a portentous sentence indicating that further aid to all non-Jewish Poles, Yugoslavs and other nationals of United Nations countries in Germany as displaced persons would be refused unless they consent to return to their former homes.

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500,000 GROCERS URGED TO HOLD LINE ON PRICES-Chicago-Secretaries of the National Association of Retail Grocers in all States, received telegrams tonight from Mrs. R. H. Kiefer of Chicago, secretary manager of the association, urging that the country's half million retail grocers refrain from drastically increasing basic food prices.

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From the New York Journal of Commerce, July 1 -

NEWLY FREED MARKET STRUCTURE SEEN FACING ACUTE PERIOD OF READJUSTMENT - Markets today suddenly found themselves faced with the task of "seeking their own levels" for the first time since the imposition of wartime price control.

While some doubt still remains as to whether this will turn out to have been merely a dress-rehearsal-in case OPA is revived - or the real thing, it was generally recognized in industry and trade circles over the week-end that the readjustment to free market conditions would require some time and could not be expected to be smooth in all fields.

Many industrial purchasing agents yesterday stated that they would adopt a waiting attitude for a few days at least, in purchases of raw materials and components in order to see whether there would be any revival of OPA and, if so, if old ceilings would then be re-established retroactively so that manufacturers would not be permitted to use higher raw material and component costs in calculating their own ceilings.

For the same reason, futures markets which were closed during the era of price control, apparently are weighing reopening very carefully. No word has been forth-coming as yet as to the immediate re-opening of any of these markets.

Action of the cotton, oats, corn, eggs and potato futures markets bears careful watching today, it was stressed.

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A TEST FOR FREE ENTERPRISE—Editorial - Expiration of the Price Control Act puts the American system of free enterprise to an unprecedented test. If business will now hold down prices voluntarily and without legal compulsion, it would give the most eloquent of all possible replies to the advocates of economic planning and regimentation.

Business men would prove, once and for all, that the quickest and most effective way to correct economic maladjustments in time of peace is to give business men a free hand to cure them.....

Ordinarily, there is no better way to regulate commodity prices than to leave their determination to the forces of supply and demand. Because of the war, the output of many goods cannot catch up immediately with the demand, no matter how high the price. What is needed, therefore, is a short additional breathing spell during which production can be brought into balance with market demands.

The OPA substituted for the forces of supply and demand coercion by Government in the setting of prices. Now that the law has expired, business can show that it can do voluntarily what OPA sought to do by legal compulsion. To do this, two rules must be followed:

Every business that earns a reasonable profit at present prices should not raise its selling prices.

Every business that must raise its prices should make the amount of the increase as small as possible.

The end of price control places American business on trial before public opinion. If the price line can be held voluntarily until supply can catch up with demand, the system of free enterprise will have won one of its greatest triumphs, and the threat of drastic economic controls and Government regimentation of business will have been ended for a long time to come.

(Turn to page 4 for other items from today's N. Y. Journal of Commerce.)

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Farm Digest 1415-46-3

From the New York Journal of Commerce, July 1 (Cont.) -

LARGE RETAIL STORES MAINTAIN OLD PRICES - Several large retail stores announced over the week-end that prices today would be the same as at the closing of last week.

The lead was taken by one of the nation's largest food chains—A. & P.

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FREE MARKET SEEN IN COTTON FUTURES - A return to free markets, for the first time since before the war, was anticipated as cotton futures rose more than \$8 a bale on the New York Cotton Exchange last week.

With the expected relaxation or termination of price controls, the interaction of supply and demand became the major factor in trading in the staple. The tremendous pressure of world demand for raw cotton and its finished products began to exert an upward force on prices. Traders also took into account the small carryover of 7,650,000 bales expected on July 31 and the relatively minor increase of 10 per cent in acreage planted to the new crop.

The importance of these influences was predicated upon the enactment of OPA legislation passed by Congress, but vetoed on Saturday when the exchanges were closed. On Friday, the majority of traders believed that the bill would become law. How prices will respond to this new development is problematical, but traders contracted last night believed some temporary hesitation may be expected pending further clarification of Congress' attitude.

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SUGAR PRICE RISE HELD IMPROBABLE - As of the opening of business today, the sugar market is expected to remain relatively idle at unchanged prices, following elimination of price controls as of midnight last night.

"It is the intention of American Molasses Co. and its affiliates, including Sucrest Corp. and Kulomoline Co., to try to maintain present or approximately present prices," Charles W. Taussig, president and chairman of the board stated yesterday.

While domestic cane refiners and beet processors are expected to remain idle awaiting further Congressional action toward the end of the week, business among some of the smaller Louisiana mills, beet processors and possibly offshore refiners who do not have regular customers may develop. There would be nothing to prevent prices from skyrocketing on these refined sales, not even the fear that prices would be rolled back, if the sugar were in warehouse and receipts could be turned over within the few days of grace permitted between now and the time Congress reconsiders price action. Only supply and demand would be price factors.

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EGG DEMAND OFF AS QUALITY DROPS - The market more than ever was strictly one of quality, with fancy goods in demand at strengthening prices and poor qualities under serious neglect at declining values. Most eggs were showing more or less heat defects and were of undesirable quality. Some large retail users of eggs were beginning to draw upon their storage reserves rather than attempt to use the inferior quality of merchandise now coming in.

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From The Boston Herald, June 27 -

NO MEAT, BUT MORE CABBAGE-With no meat on the market, and with Massachusetts' poultry flocks so drastically slaughtered that Frederick E. Cole, state commissioner of agriculture, was on his way to Washington to protest the lack of grain to federal authorities, the public was offered a consolation prize yesterday. Lettuce, cabbage and bunched beets will be available in quantity.

As the rest of the nation began to catch up to New England in its lack of meat, the National Association of Retail Meat Dealers reported that half the nation's butcher shops had closed their doors. In the Faneuil Hall market district, nearly all the meat stalls were closed before noon yesterday. Dealers said they would not strike, but neither would they keep open for the privilege of refusing customers.

Sentiment ran high against major meat packers, who the market-district men were convinced were holding back large quantities of meat in anticipation of further OPA legislation.

Restaurants, here and elsewhere, were falling back on poultry, fish and egg dishes, and trying to meet the increased demand created by diners-out who couldn't get meat to eat at home.

Comr. Cole, before leaving for Washington at the request of the state's Congressional delegation to try to remedy a grain shortage that has wiped out 65 per cent. of Massachusetts' poultry flocks since Jan. 1, conferred with vegetable growers and distributors.

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From The New Orleans Times Picayune, June 25 -

PLENTY MEAT FOR ORLEANS SEEN WITH QUALIFYING 'IFS'-New Orleanians can look forward to a more plentiful supply of meat, if a few "ifs" are taken into consideration, but there's no if about bread -- it's going to remain scarce.

If the office of price administration loses control of meat prices, said Fred Dykhuizen, president of the Louisiana Meat Packers and Processors Association, then a sizeable flow of veal and beef into the city's markets "is practically assured."

"The supply of live cattle is plentiful, in fact the government reports the biggest cattle and calf population in history," he said. "But the legitimate packers can't compete with the black market."

Plenty of cattle is being slaughtered, Mr. Dykhuizen said, and packers would be able to get hold of this meat if only government restrictions were taken off, OPA controls just haven't worked for the meat industry for the past four years, he said.

He expressed the opinion that beef and veal prices would fluctuate for a few weeks if ceilings are removed and then would drop below present black market prices. "In another 60 to 90 days, the prices would be below present ceilings," he added.

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From The Davenport (Ia.) Democrat and Leader, June 26 -

MAY RESCIND FEDERAL ORDER ON WHEAT SALES-Washington (AP)-A prediction that the agriculture department would rescind within "a few days" requirements that farmers sell one-half of wheat placed in elevators or warehouses within 15 days after delivery was made Wednesday by Rep. Hope (R-Kas.)

"The order is just not working out satisfactorily," Hope told a reporter. "It is not getting the wheat the government expects to get that way for overseas relief feeding."

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From The Memphis Commercial Appeal, June 25 -

UNFAVORABLE WEATHER REDUCED POTENTIAL COTTON PLANTING IN DELTA AREA-By Gerald L. Dearing-The 1946 cotton crop should not be more than 11,500,000 bales, while the Delta harvest should approximate that of last year when 800,000 bales were produced, W. M. Garrard, manager of the Staple Cotton Co-operative Association, estimates in his monthly report to his directors.

"As the old crop passes into history," Mr. Garrard reports, "we turn to the production, harvesting, and marketing of the new crop. Planting in the Memphis territory was earlier than usual. In the southern part of this section, cotton was planted very generally the latter half of April. It came up to a good stand and, apparently, we were off to an early start. But the favorable weather that had prevailed for some two to three weeks turned unsatisfactory, and for the next several weeks it was unseasonably cold, with heavy rains that soon created a grassy condition. This unseasonable weather continued up to and through the first few days in June, with the result that stands were broken, due to cotton dying, also to the excessively grassy condition.

Labor was not plentiful, and many fields became very foul before any attempt could be made to clean them.

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From Better Farming Methods, July, 1946 -

WASHINGTON NEWS-By Fred Bailey-Things to Come-The shape of things to come in agricultural planning by Washington now is pretty well evident. It includes three years certainly, five years probably, of maximum production of food.

Food officials do not believe that domestic demand will slacken . . . although there may be some ups and downs . . . during the next four or five years. Relief buying is to be a major factor at least through 1948, according to present calculations.

Foreign relief requirements are to be met by "direct purchases" . . . in more simple language, by set-asides required by the government. How close the government may go to farm confiscation . . . as in the 25 percent wheat set-aside . . . still is an open question.

There is more international politics in foreign relief than most officials will admit publicly. The state department is trying to keep its friends in power in a number of European countries through food gifts . . . and some top officials have their fingers crossed for fear that policy may backfire politically.

A strong effort is to be made to hold a reasonably steady farm price line . . . but here again officials are on their toes to shift quickly with whatever policy Congress dictates. If ceilings are removed, the USDA will switch to price supports, purchases and CCC loans in an effort to influence farmers.

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From Chicago Daily Tribune, June 25 -

THOUSANDS LIVE ON SOUP AND U. S. WHEAT IN JAPAN-Tokyo -Critical food shortages predicted for June in Japan have reached the point in Tokyo where hundreds of thousands are living on vegetable soup and rationed American cereals.

Survey of Tokyo, Yokahama and the surrounding countryside shows that rice has virtually disappeared from the general diet. It is unobtainable, even at the black market price of \$1.65 per pint.

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Gene Harrison
(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From The New York Times, July 2 -

HOUSE VOTES FOR 20-DAY CONTROL-Washington-The House passed a 20-day stop-gap price control resolution today, 283 to 61, but Senate red tape threatened to leave the Government without any authority to hold prices for at least several days longer.

While the House debated, the first day without price control since 1942 saw some rises in prices generally, but the early gains in stock and commodity markets were lost later in the day. Most large retail stores continued to operate under Office of Price Administration ceilings.

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COMMODITIES UP; WHEAT GOES TO \$2; CATTLE IN CHICAGO REACH \$22-(AP)- The nation's retailers, despite lifting of Government controls, generally held prices at OPA levels yesterday in the face of higher quotations in cattle and hog markets and for grain, cotton and wool.

Most disturbing to hold-the-line adherents were market trends such as \$20 hogs at Indianapolis, highest in twenty seven years; the first \$2 wheat since 1925 at Chicago and an all time \$22 high for cattle, compared to last week's \$18 OPA ceiling.

Such increases would be reflected almost immediately in the retail price of meat and flour under normal conditions, economists declared.

Advances were scored in wool and cotton futures, certain to be translated into increased clothing prices if the trend continued.

In the East, few cities reported sufficient meat supplies to detect any rising price trend but at Phoenix, Ariz., for instance, one meat wholesaler announced a 25 percent increase, except on luncheon meats, which were increased 10 percent.

Fresh beef was up 5 and 10 cents a pound in Chicago.

The Western States Meat Packers Association announced that prices would be increased today an average of 20 percent above ceiling prices on all grades of meat. E. F. Forbes, president of the association said that prices for top grades would go up 30 percent.

Fresh fruits and vegetables, some of them early and out-of-season, registered slight gains at scattered points--Portland, Ore., Boston, Columbus, Ohio, and Washington among others.

Restaurant prices were steady except in a few cases where fancy items forbidden by OPA ceilings reappeared on menus.

Leading department stores of the country adhered to OPA ceilings, announcing they would continue to do so until Congress had time to act.

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SCHRAM DOUBTS COMMODITY JUMP-Cleveland-Emil Schram, president of the New York Stock Exchange, said today he believed no general skyrocketing of commodity costs would result from the removal of Federal price controls.

(Turn to page 2 for other items
in today's N.Y. Times.)

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From The New York Times, July 2 -

BUSINESS MEN PLEDGE FIGHT TO PREVENT INCREASES-Retail prices of food, clothing, household goods and other living essentials remained generally stable yesterday at the former ceilings of the Office of Price Administration throughout the metropolitan area, as Federal price control ended after an existence of slightly more than four years.

Commodity prices in the wholesale markets turned sharply upward all along the line, although subsequent profit-taking reduced some of the peaks.

Organized business in general hailed the passing of the OPA as giving private enterprise an opportunity to show what it could do when freed from hampering governmental controls, but many consumer and labor organizations and such political groups as the American Labor party and the Liberal party predicted sharp price increases unless Congress speedily re-established the OPA.

Many individual retail and wholesale establishments and manufacturers publicly pledged themselves to maintain existing price levels.

Robert R. Wason, president of the National Association of Manufacturers, predicted yesterday that the United States as a whole would benefit from the passing of the OPA. He asserted that prices would rise "only to the amount hidden by OPA."

Ira Mosher, chairman of the board of the NAM made public a letter to its 15,000 members in which he warned them that every producer in this country would be judged for years to come by price policies adopted in the immediate future. He appealed to them to prove, once and for all, that "American industry is capable of true statesmanship."

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PRICE RISE THREAT STARTS PAY STUDY-Washington-The possible effect of rising prices resulting from termination of the OPA on wage adjustment clauses in union contracts were disclosed today in an examination made by the Bureau of Labor Statistics of contracts filed with it.

Taking ninety-nine contracts as a sample, the BLS found that seventy one of these key company agreements permit renegotiation of wages during the term of the agreement.

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IN ECONOMIC NO-MAN'S LAND-Editorial-The House of Representatives last night voted a proposed twenty-day extension of price control, pending a more permanent bill. No hope for similar action, however is held out in the Senate. Senator Barkley, the majority leader, is uncertain whether OPA will be extended at all, and fears that price holiday of at least two or three weeks may result.

Nobody knows, therefore whether OPA is dead or merely dormant. At the moment it is legally dead; but it would be folly to think or talk as if the country had suddenly been plunged into a free economy, and as if the price developments of the next few weeks represent what could normally be expected to happen under present conditions in a free economy. What we have today is neither price control nor free markets. It is something that has neither the advantages of the one nor the other. It has, on the contrary, disadvantages that neither price controls nor free markets would have by themselves.

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From the New York Journal of Commerce, July 2 -

ORDER AND RESTRAINT HERALD RESUMPTION OF FREE TRADING - The return of free commodity markets yesterday was marked by orderly trading and the absence of wild price gyrations.

While there were substantial price advances in some scarce commodities, such as corn, wheat, cocoa and naval stores, trading in most cash commodity markets came virtually to a halt as both sellers and buyers stalled for time to evaluate the newly created situation.

The possibility of price rollbacks in the case of OPA's revival acted as the most important brake on commodity dealings yesterday. Many contracts containing cancellation clauses in case of OPA's demise, were called in. In most fields sellers withdrew current quotations without determining new selling prices immediately.

Foods--Primary food markets advanced sharply following removal of OPA controls:

Grains: Corn advanced 71c over the old ceiling in the cash market for an advance of 50 percent. Cash wheat soared 15c over the old ceiling and oats rose 11c to 14c per bushel.

Live Stock: Hog prices jumped 25 per cent, or \$3.65 over the old ceiling. Cattle prices were raised \$2 per 100 pounds. Meat prices, however, did not immediately reflect the increase. Most sellers in legitimate channels were withholding sales until management has had a chance to determine price policies.

Poultry: Sharp advances brought quoted prices into line with previous black market prices. Live poultry was up as much as 22c per pound or nearly 50 per cent.

Sugar: Prices were held unchanged.

Coffee: Green coffee prices were sharply higher in producing countries. Brazil quoted an increase of 7c to 8c. Only a few sales were reported. Recent wholesale price increases have not been passed on to the consumer as yet.

Processed Foods--Manufacturers of branded food and grocery products pledged that there would be no runaway inflation on their lines, and spokesmen for leading chains declared that previous mark-up levels would be maintained. Wholesale grocers were expected to continue to sell on cost, rather than replacement, in the event that price controls are not reinstituted, and retail grocery leaders throughout the country were calling upon independent merchants to "hold the line."

Textiles--Pending clarification of OPA's final fate, selling in cotton, rayon and wool goods, at the primary level, came to a complete halt yesterday.

This condition is expected to prevail for the balance of this week at least since markets will be closed from Wednesday until Monday for the July 4 holiday and most mills are closed down for vacations during the first two weeks of the month.

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BUTTER, EGG FUTURES TRADING HALTED HERE - Following a special meeting of executive and butter and egg committees, the New York Mercantile Exchange yesterday voted to discontinue trading in butter and eggs on the exchange until the situation surrounding the death of OPA has been further clarified.

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(Turn to page 4 for other items from today's N. Y. Journal of Commerce.)

Farm Digest 1425-46-3

From the New York Journal of Commerce, July 2 -

FUTURES MARKETS QUICKLY RESTORE TRADING TRADITION - Commodity futures markets passed the test of the first return to free marketing, since the imposition of wartime price ceilings, with flying colors. Three developments stood out yesterday:

1. The market mechanism of those markets which were open for trading proved fully adequate for the difficult situation created by the sudden ending of OPA controls.

2. Price fluctuations made a clear distinction between scarce commodities and those in large supply. The cotton futures market specifically did not experience any spectacular price gyrations despite the fact that margin requirements reverted back to the pre-OPA Cotton Exchange rules.

3. There was no rush toward the reopening of futures markets where trading was formally suspended at the start of the war or at a later date, such as in the case of wheat and rye.

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COTTON UP SHARPLY AS CONTROLS END - Cotton prices fluctuated in a rising market reflecting the uncertainty created by the end of price controls on the New York Cotton Exchange yesterday. The closing range was up 42 to 54 points.

Despite predictions of Administration economists, the gains recorded in cotton futures did not equal the advances made on Thursday at last week when prices advanced 100 points at the highs, the maximum daily rise permitted. At high levels recorded early yesterday, advances of only 57 to 82 points were registered.

Observers attributed the unexpectedly small rise to hesitancy on the part of investors to enter the market while further price control legislation was being considered in Washington. The trade avoided commitments also pending clarification to the President's demand for an acceptable price regulatory bill. On the floor, however, local traders considered re-establishment of control administration virtually impossible. In New Orleans, opening prices in March and December, 1947, positions rose 100 points, the maximum.

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COTTON MARGINS DROP FROM \$80 TO \$45 A BALE - Margin requirements for trading in cotton futures dropped from \$80 a bale to \$45 in the majority of member firms of the New York Cotton Exchange yesterday, as a result of the termination of the OPA.

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CORN PRICE SPURT FEATURES GRAINS - Removal of ceiling price controls was reflected by a 5c a bushel advance in corn futures at Chicago yesterday at the outset of trading at which level the advance was checked by the daily limit on fluctuations.

Barley prices also scored the permissible 5c advance while oats, after a brisk trade, finished with grains ranging from 4c to 5c. Principal interest of the trade however, centered on developments in the cash markets where there are no daily limits and a 71c per bushel advance in corn from the recent ceiling of \$1.44 to \$2.15 for No. 2 yellow at the close yesterday was believed to be without a parallel in the history of that market. No. 2 Red winter wheat closed at \$2.12, 3c under corn; for a net advance of 15c, while oats were reported to be about 11c to 14c higher.

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From The New York Times, July 1 -

REPORT FROM THE NATION-New England-Shortage of Leather Poses Threat to Shoe Industry-Boston-The New England shoe industry, which has anticipated a record production year, is wondering now what will happen within the next few weeks to alleviate a leather shortage which already is hampering output.

Post-war operations, geared to provide four pairs of shoes per person a year as compared with the wartime two pairs and the prewar supply of two pairs, declined somewhat in June, and a further decrease is expected in July.

To offset the leather losses, shoe plants are resorting to greater use of plastics and fabrics and new types of construction and thus are able to maintain employment for 79,000 workers, whose numbers have increased almost 20 percent since the end of the war.

Generally, manufacturers blame the Office of Price Administration for the leather situation. They contend that price controls on cattle have resulted in a drying up of sources.

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From The Baltimore Sun, June 30 -

MERCY KILLING-Editorial-The politics of the OPA mess is this: Congress tried to get the President to accept responsibility for a bill which on balance is highly inflationary, but the President replied in effect that, if Congress is going to take the lid off, Congress must also accept the full responsibility.

For months Congress has been squeezed between two sets of pressures. There is the pressure to junk price controls, on the false but seductive theory that they are hindering reconversion. There is the opposite pressure to retain strong price controls as a bulwark against inflation.

Congress found both of these opposing pressures irresistible. In response to the demand for continued controls, it extended the life of the OPA for another year. In response to the opposite pressure, it weakened the OPA drastically. It preserved the form of price control while robbing it of most of its substance. It then gambled that the President would sign this defective measure--and so take the responsibility for it--on the theory that half a loaf is better than none.

It took some courage for Mr. Truman to sign that veto message.

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From The New York Herald Tribune, June 30 -

ACHIEVEMENT ON THE FOOD FRONT-Editorial-The United States will shortly have delivered the 6,000,000 tons of food grains to famine areas promised for the first half of 1946. Relief is the paramount feeling in response to this news among Americans who felt that the first responsibility in making peace was to avert hunger. The program was undertaken late. Only earlier failures to meet commitments brought the emergency measures required to accomplish it. We have barely muddled through. Nevertheless, the achievement announced Thursday by President Truman and John W. Snyder, former Director of War Mobilization and Reconversion is stupendous. Grain to meet the 6,000,000 ton goal is in possession of the government; 5,500,500 tons will have been shipped by the end of June, the rest within three weeks. Additional shipments of 294,500 tons of oats, rye, barley and corn since Jan. 1 are not counted as part of that commitment. This outcome is proof of what the nation can do when effort is finally coordinated toward a great humanitarian purpose. None can doubt that it represents a colossal effort on the part of the Department of Agriculture, Office of Defense Transportation and War Shipping Administration.

Farm Digest 1425-46-5

From The Kansas City Star, June 27 -

WHEAT HERE IN VOLUME-Receipts of wheat at Kansas City were up again today following the increased tempo of the harvest arrivals reaching 634 cars, which was close to Monday's week-end accumulation of 705. Today's run compared with 228 a week ago and 151 a year ago.

While the early movement has been exceptionally liberal and well above the average, the trade emphasized that it would have been measurably larger if the supply of boxcars had been equal to the demand.

One line of speculation was that the tight transportation situation might spread out the movement and prevent any exceptionally big days, as was the case last season.

The possibility that some roads might be holding up cars because of the 3 percent hike in freight rates, effective July 1, generally was discounted.

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From The Christian Science Monitor, Boston, June 27 -

'MILK ON THE HOOF' SENT TO EUROPE IN BRETHREN CHURCH HEIFER PROGRAM-Wenatchee, Wash.-The national conference of the Brethren Church recently concluded here discussed heifers and "seagoing cowboys"--two factors in the Church of the Brethren's "Heifers for Relief" project.

During the past year, 1,500 heifers have been shipped to France, Czechoslovakia, Poland, Belgium and Puerto Rico to provide milk for thousands of undernourished children and grownups. By the end of this year, the church hopes to have shipped 25,000 head of these animals to areas of distress in Europe and the Orient.

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The Times-Picayune, June 25 -

1000 HEAD STOCK PLEDGED EUROPE-Jackson, Miss. (AP)-Mississippi has contributed a little more than 1000 head of livestock for starving people abroad, the executive committee of the governor's committee reported tonight.

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From The St. Louis Post-Dispatch, June 27 -

TALES OF WOE FROM EVERY SIDE IN MEAT SHORTAGE-Tales of woe from farmers, butchers and housewives were heard on every side today, but while the situation offered plenty of food for thought, there was little or no meat to be had.

Because of the meat shortage, a majority of the approximately 1500 members of the Individual Retail Grocers' and Meat Dealers' Association will close their meat departments each Monday.

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